



This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

### Usage guidelines

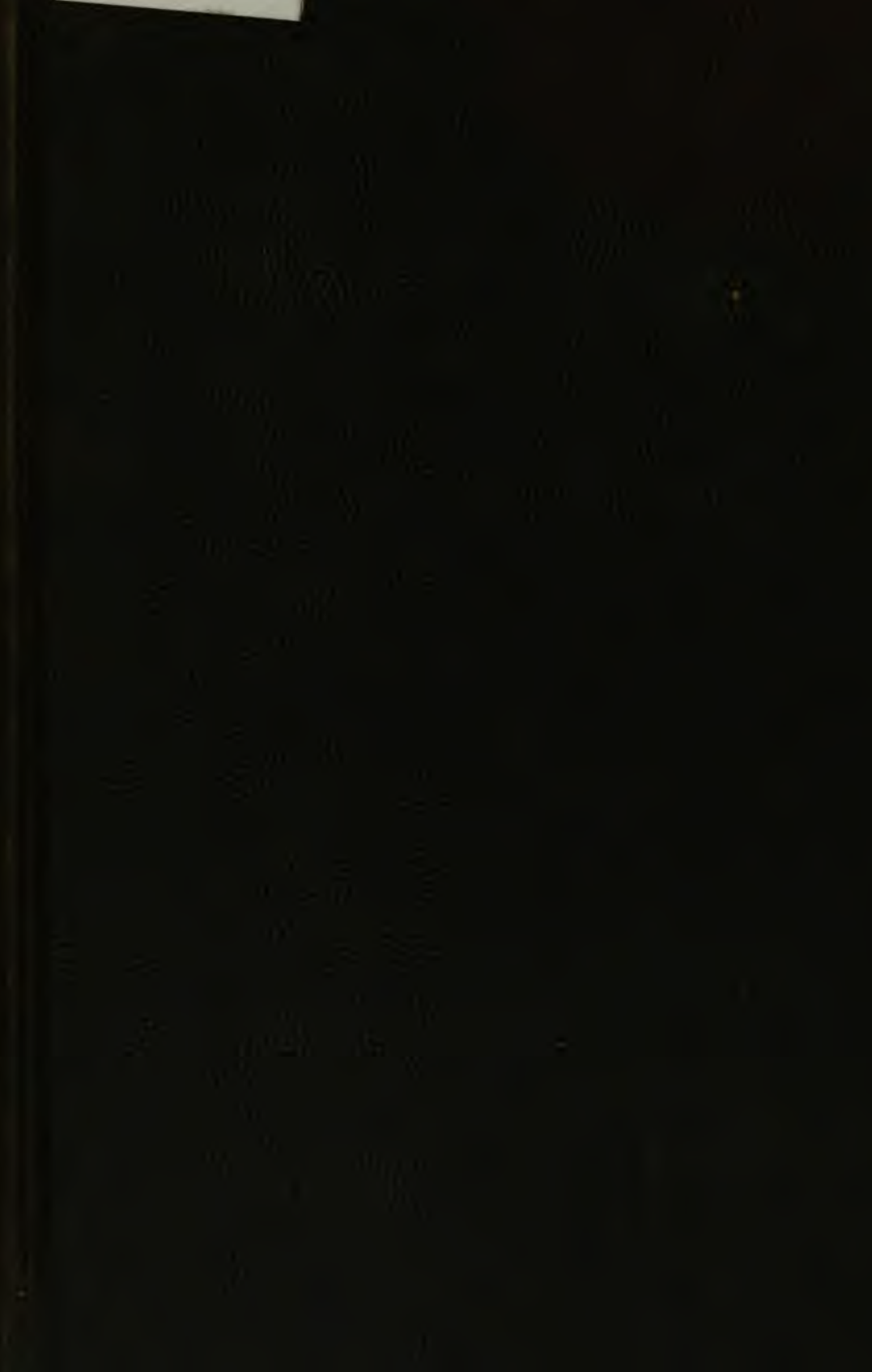
Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

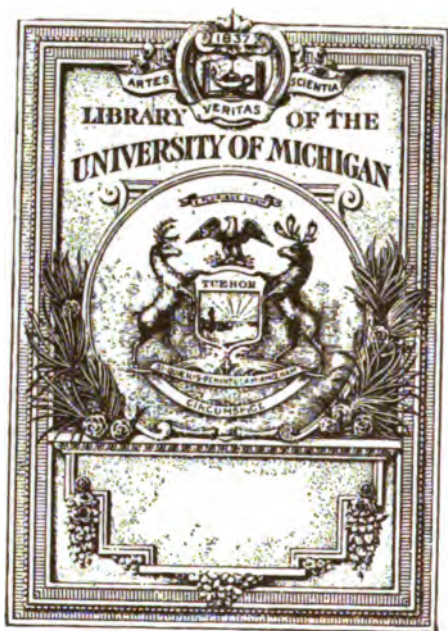
- + *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.
- + *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.
- + *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.
- + *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

### About Google Book Search

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at <http://books.google.com/>







H D  
8051  
.C 9  
1916







# INDUSTRIAL RELATIONS

---

FINAL REPORT AND TESTIMONY

SUBMITTED TO CONGRESS BY THE

U. S. COMMISSION ON INDUSTRIAL RELATIONS

CREATED BY THE ACT OF  
AUGUST 23, 1912

---

VOL. VIII



WASHINGTON  
GOVERNMENT PRINTING OFFICE  
1916



Reference(s)  
 512 PP  
 1-3-29  
 9702

## CONTENTS OF VOLUME VIII.

	Page.
<b>The Colorado coal miners' strike—continued</b> .....	6991-7425
Edward L. Doyle, district secretary-treasurer, United Mine Workers of America, Denver.....	6993, 7217
B. W. Snodgrass, coal-mine superintendent, Victor-American Fuel Co.....	7077
F. E. Gove, attorney, Victor-American Fuel Co.....	7084
John Sanders, coal miner, Morley, Colo.....	7089
Fred Sommers, coal miner, Morley, Colo.....	7093
Judge Ben B. Lindsey, juvenile court, Denver.....	7096
Niels Jorgensen, coal miner, Delagua, Colo.....	7114
J. F. Welborn, president, Colorado Fuel & Iron Co.....	7115
W. E. Brooks, coal miner, Hastings, Colo.....	7130
James Kokinakas, coal miner, Frederick, Colo.....	7132
Grigorio Klinikis, coal miner, Valdez, Colo.....	7134, 7158
Jesse G. Northcutt, attorney, Colorado Fuel & Iron Co., Victor-American Fuel Co., and the Rocky Mountain Fuel Co.....	7135, 7181
Walter F. Lenthall, coal miner, Rockland, Colo.....	7161
Hon. Elias M. Ammons, governor of Colorado.....	7167
Hon. Fred Farrar, attorney general of Colorado.....	7171
John R. Lawson, member, international executive board, United Mine Workers of America.....	7187
Frank J. Hayes, international vice president, United Mine Workers of America, Indianapolis.....	7189
Edward P. Costigan, counsel, United Mine Workers of America, Denver.....	7203
Lieut. Karl E. Linderfelt, Colorado National Guard.....	7208
Senator Helen Ring Robinson, member, Colorado State Senate from Denver.....	7209, 7218
James H. Blood, director, Northern Coal & Coke Co., Denver.....	7219
Edwin V. Brake, deputy labor commissioner of Colorado.....	7232
<b>Exhibits</b> .....	7241-7425
Osgood Exhibit No. 1.....	7241
Osgood Exhibit No. 2.....	7241
Dairymple Exhibit.....	7241
Curtis Exhibit.....	7243
Welborn Exhibit No. 1.....	7245
Welborn Exhibit No. 2.....	7252
Weitzel Exhibit No. 1.....	7252
Weitzel Exhibit No. 2.....	7253
Weitzel Exhibit No. 3.....	7253
Weitzel Exhibit No. 4.....	7253
Weitzel Exhibit No. 5.....	7257
Weitzel Exhibit No. 6.....	7262
Weitzel Exhibit No. 7.....	7263
Weitzel Exhibit No. 8.....	7263
Patterson Exhibit No. 1.....	7265
Patterson Exhibit No. 2.....	7296
Farr Exhibit.....	7303
Van Cise Exhibit No. 1.....	7311
Van Cise Exhibit No. 2.....	7324
Chase Exhibit.....	7331
Hendricks Exhibit.....	7332
Doyle Exhibit No. 1.....	7334
Doyle Exhibit No. 2.....	7343
Doyle Exhibit No. 3.....	7344
Gove Exhibit No. 1.....	7347
Gove Exhibit No. 2.....	7348



## The Colorado coal miners' strike—Continued.

Exhibits—Continued.	Page.
Gove Exhibit No. 3.....	7349
Gove Exhibit No. 4.....	7349
Gove Exhibit No. 5.....	7350
Gove Exhibit No. 6.....	7358
Gove Exhibit No. 7.....	7358
Lindsey Exhibit No. 1.....	7362
Lindsey Exhibit No. 2.....	7363
Lindsey Exhibit No. 3.....	7386
Lindsey Exhibit No. 4.....	7388
Lindsey Exhibit No. 5.....	7388
Lindsey Exhibit No. 6.....	7389
Lindsey Exhibit No. 7.....	7393
Lindsey Exhibit No. 8.....	7395
Lindsey Exhibit No. 9.....	7397
Lindsey Exhibit No. 10.....	7397
Sonimers Exhibit.....	7400
Northcutt Exhibit.....	7402
Lenthall Exhibit.....	7403
Ammons Exhibit.....	7415
Brake Exhibit No. 1.....	7417
Brake Exhibit No. 2.....	7417
Centralization of industrial control and operation of philanthropic foundations.....	7427-7759
Samuel Untermyer, lawyer, New York City.....	7429
Roger W. Babson, economist and publicist, Wellesley Hills, Mass.....	7455
Miss Ida M. Tarbell, author, New York City.....	7476
Basil M. Manly, director of research and investigation, United States Commission on Industrial Relations.....	7505
Hon. David J. Lewis, Member of Congress from Maryland.....	7506
Jacob H. Schiff, banker, New York City.....	7521
Prof. Jacob H. Hollander, professor of political economy, Johns Hopkins University.....	7534, 7541
August Belmont, banker, New York City.....	7546
Daniel Guggenheim, director, American Smelting & Refining Co., New York City.....	7559
Edward J. Berwind, president Berwind-White Coal Co., and other coal companies, New York City.....	7579, 7587
George Walbridge Perkins, director, United States Steel Corporation and International Harvester Co., New York City.....	7598-7610
Henry Ford, president, Ford Motor Co., Detroit, Mich.....	7626
Samuel Gompers, president, American Federation of Labor.....	7638
Louis D. Brandels, lawyer, Boston, Mass.....	7657
Exhibits.....	7682-7759
Untermyer Exhibit.....	7682
Guggenheim Exhibit.....	7746
Berwind Exhibit.....	7747
Gompers Exhibit.....	7748
Further Proceedings Relating to Colorado Strike, Large Foundation, and Industrial Control.....	7761-8013
John D. Rockefeller, jr., New York City.....	7763, 7780, 7816, 7842, 7866, 7892
Dr. William H. Allen, former director Bureau of Municipal Research of New York.....	7895
Ivy L. Lee, member of personal staff of John D. Rockefeller, sr.....	7897, 7911
Dr. John Haynes Holmes, pastor, Church of the Messiah, New York City.....	7916
R. Fulton Cutting, president, New York Trades Schools; president Bureau of Municipal Research, New York City.....	7934
Dr. Charles W. Eliot, member, General Board of Education, Rockefeller Foundation, Carnegie Peace Foundation, Cambridge, Mass.....	7965
John Hays Hammond, chairman, industrial economic department, National Civic Federation.....	7987
John R. Lawson, member, international executive board, United Mine Workers of America, Denver.....	8003

---

---

## THE COLORADO COAL MINERS' STRIKE—Continued

---

(For exhibits under this subject, see pages 7241 to 7425)



## COMMISSION ON INDUSTRIAL RELATIONS.

AFTERNOON SESSION—2 P M.

Chairman WALSH. You may proceed now, Mr. Weinstock.

### TESTIMONY OF MR. EDWARD L. DOYLE—Continued.

Commissioner WEINSTOCK. Are you ready, Mr. Doyle?

Mr. DOYLE. Yes.

Commissioner WEINSTOCK. Will you tell the commission what were the conditions of the coal camps of Louisville, Lafayette, Superior, and Marshall, as to being inclosed before the strike.

Mr. DOYLE. You mean as a private property inclosed?

Commissioner WEINSTOCK. Yes.

Mr. DOYLE. Why, they were not closed, as I understand it. I believe in Lafayette it is within the corporate limits of the town, but it has been since inclosed.

Commissioner WEINSTOCK. But before the strike it was not inclosed?

Mr. DOYLE. Yes.

Commissioner WEINSTOCK. Were men permitted to buy where they desired before the strike?

Mr. DOYLE. In the northern field?

Commissioner WEINSTOCK. Yes.

Mr. DOYLE. I think so. We had that article in the agreement, the operators agreed in writing to permit the men to buy, while they had a contract with the mine.

Commissioner WEINSTOCK. Were the towns located on company property?

Mr. DOYLE. Not Lafayette nor Louisville; I think not Superior; Marshall may have been; Erie was not; Puritan, I believe, is. Frederick, I think, is an independent town.

Commissioner WEINSTOCK. Were the men permitted a checkweighman in those districts?

Mr. DOYLE. Yes; where the organization—while they had a contract.

Commissioner WEINSTOCK. What were the wages paid in above camps?

Mr. DOYLE. Three-ten per day for company men, that is, the day workers.

Commissioner WEINSTOCK. Yes.

Mr. DOYLE. Eleven cents, I believe, per foot, for machine runner and helper, divided 5 cents for the helper, and 6 for the runner; and a tonnage price from 34½, if I remember correctly, to 43½ for machine-mined coal, and I believe 62 to 68½ cents for pick-mined coal per ton.

Commissioner WEINSTOCK. Were those standard wages, Mr. Doyle?

Mr. DOYLE. They are what we consider the—the basic point was Louisville, Colo., where they received 39½ cents per ton for machine-mined coal; there were several mines that paid less than that. One of them was 3 cents, and two or more, anyhow two, 5 cents less than that per ton.

Commissioner WEINSTOCK. These, then, were the maximum wages?

Mr. DOYLE. As compared with other places in Colorado, I do not know what the tonnage price was in the various mines; I don't think there was any uniformity about it in the southern field; there may have been; but I personally never have worked down there.

Commissioner WEINSTOCK. You do not know any other field in Colorado where the wages were higher than these places?

Mr. DOYLE. I had heard it said a number of times that it was higher in southern Colorado. They paid 55 cents for loading coal, the way it is told, that they paid 55 cents per ton for loading coal, to the miner, that after they had paid all overhead costs and the coal on the car, that it has cost them only 55 cents; so you can imagine for yourself the size of the ton.

Commissioner WEINSTOCK. Can you tell us how many accidents they have had in the mines of these camps in the last 10 years?

Mr. DOYLE. No; I could not. I think that could be had from the records of the State mine inspector.

Commissioner WEINSTOCK. But you have no record?

Mr. DOYLE. I have no figures put up on that. I have some figures here on accidents just prior to and since the strike, and also some figures pertaining to injuries in the last report of the State mine inspector; but for particular camps, I have none.

Commissioner WEINSTOCK. Well, now, is it or not a fact that the strike in the northern part of the State has compelled companies to build towns which are inclosed towns?

Mr. DOYLE. I think not. I think that that was the procedure taken by the companies for the purpose of simply separating themselves from the men who were the residents of those towns, as a rebuke, as a punishment to those men who were citizens and who owned property in those towns, for daring to have the strike.

Commissioner WEINSTOCK. Well, does it seem reasonable, Mr. Doyle, that intelligent business men will go to a very great expense if there is no occasion for it?

Mr. DOYLE. Well, that has always been one of the problems in my mind, to understand why these men, whom I believe otherwise intelligent, should be so unreasonable and use such little reason in business affairs simply because they were perhaps controlled by their prejudices.

Commissioner WEINSTOCK. I take it, then, that you want this commission to believe that these mine owners in the north went to a needless and great expenditure simply out of a feeling of prejudice to some?

Mr. DOYLE. Prejudice, I think, is about the main reason. Perhaps there is a little greed in that, and maybe a little ignorance, but they could have accomplished the same results without having done so.

Commissioner WEINSTOCK. Tell us what opportunity would there be for greed to gain anything by that, to go to an expense, a needless expense.

Mr. DOYLE. Ignorance of the fact that organized labor is more profitable in the long run than unorganized labor. And being so prejudiced and narrow-minded that they did not intend to keep up with organized labor, or permit it to establish itself in this State, or let those men, if we call them that, control themselves. That is my judgment of the matter in this matter of a strike—and spending lots of money, and, in fact, I believe far more money than all the demands of the miners ever made against them would have amounted to in a number of years. For instance, Mr. Shumway testified before the legislative investigating committee that they normally employed a thousand men in those mines operated by their companies in the northern field, and that in a period of 12 months they had imported and employed—he didn't say imported all of them—but they had employed eight thousand seven hundred and some odd more men, changing the force nearly nine times in 12 months. I think it was all this waste of money, while other men who were not permitted to work were idle, and are still idle.

Commissioner WEINSTOCK. Are we to understand that it cost them more to inclose these towns, a great deal more than the cost would have been if they had accepted the terms of the union?

Mr. DOYLE. Not exactly the building of the fence; I don't mean that, but the expense of opposing the organization—that is, of the arming of the guards, the importing of men, the building of houses, the buying of machine guns, the hiring of detective agencies, and all of those things that go to fight an organization of labor.

Commissioner WEINSTOCK. What need was there for the mine owners to put fences around the mines, to buy guns and ammunition, and to employ guards? What need was there to go to all those expenses?

Mr. DOYLE. I think there was no need for it. As I stated here Saturday, the miners are misrepresented by the public—by those who oppose them—the statements getting out on the theory that they are the people who wish to destroy property; the statement given to the public by the owners that it is for protection of property. While the facts are that these miners did not destroy the property, do not want to destroy property, have sense enough to know that they need that property, especially if they have their homes in that particular community. I believe that all of that arming, etc., is as much for intimidation of the strikers as it is for anything else. I believe that the fences built around the company's property was not so much to protect the property, and to keep the men from getting to it that might destroy it, as it was to keep the man inside the property from getting out.

Commissioner WEINSTOCK. Had there been any actual violations committed in that territory before the town was fenced in?

Mr. DOYLE. I think not. I am not positive; I speak more of Lafayette, having that in mind, but as testified here, I have been away from Lafayette from the fore part of April until sometime in August; and when I had returned this structure was built around the Simpson mine in Lafayette.

Commissioner WEINSTOCK. There had been no—

Mr. DOYLE (interrupting). No violations that I know of.

Commissioner WEINSTOCK. But there is no question but that there had been no acts of violence committed in that district before the towns were fenced?

Mr. DOYLE. No; I never heard of any. I don't recollect them. But I did not say that was not the cause, because the operators that were there. The mine so fixed—Lafayette was fixed or put in great shape so far as mining methods go for a shutdown, or for working of work that could be done very easily by the less experienced men; which indicated to us all there that there was no doubt but what there was premeditation on the part of the companies that they were going to wipe out the organization in that field.

Commissioner WEINSTOCK. Have the American miners left those particular camps?

Mr. DOYLE. No; there are a good many of them there yet.

Commissioner WEINSTOCK. You have a census, have you, of the miners?

Mr. DOYLE. We have a list of members of our organization.

Commissioner WEINSTOCK. And approximately, how many members are there there?

Mr. DOYLE. I could give it to you from those figures submitted this morning; I don't know right offhand.

Commissioner WEINSTOCK. Approximately?

Mr. DOYLE. I should judge perhaps 1,200 miners in those.

Commissioner WEINSTOCK. Now, how many of those miners, approximately—of course, you can't give the exact number—how many of those were natives and how many foreigners?

Mr. DOYLE. I don't know. The northern field has been mostly American-speaking people, or people who have been here long enough to become Americanized; not a very large percentage of people who have recently come to this country.

Commissioner WEINSTOCK. That statement you gave us this morning, Mr. Doyle, gives the men out on strike in the northern coal field?

Mr. DOYLE. No; that statement this morning includes striking and working in union mines and under union conditions—

Commissioner WEINSTOCK (interrupting). Have you any figures showing how many are on strike?

Mr. DOYLE. Those can be had. We have the actual number we are paying relief to, which is reported week by week; and application is made by the local organization to the district organization for exemption on those that are themselves off, for other reasons, and those paying the per capita, as well as those who by the laws of the organization are permitted to vote, plus the payment on those that report they are working under union conditions and as having paid their dues. So the figures could all be given.

Commissioner WEINSTOCK. Can you tell us what you know about the shooting of the Hecla Heights?

Mr. DOYLE. I don't know anything about it other than what I had on the telephone that night, or conversations with the district attorney.

Commissioner WEINSTOCK. In the first place, will you tell us where the Hecla Heights is located?

Mr. DOYLE. Louisville, Colo.

Commissioner WEINSTOCK. In the northern part?

Mr. DOYLE. Yes, sir.

Commissioner WEINSTOCK. When did this shooting take place?

Mr. DOYLE. I could give you the date, but I don't want to go into the discussing of it because I am charged with conspiracy to murder in the particular matter.

Commissioner WEINSTOCK. Well, I will not ask you any particular questions that would in any way embarrass you; but you can certainly tell us the date.

Mr. DOYLE. I will try and look my notes over [referring to a memorandum]. April 27, 1914.

Commissioner WEINSTOCK. That was this past April?

Mr. DOYLE. Yes, sir.

Commissioner WEINSTOCK. Was that before or after, Mr. Doyle, that the fences were put around these properties?

Mr. DOYLE. Those fences, I understand, were built in 1910.

Commissioner WEINSTOCK. 1910. Now, how many people were killed in this Hecla Heights trouble?

Mr. DOYLE. I don't know.

Commissioner WEINSTOCK. You don't know?

Mr. DOYLE. No, sir.

Commissioner WEINSTOCK. Were the militiamen in Louisville when the trouble started in the northern coal field?

Mr. DOYLE. That I don't know, either. Let's see if I have anything that will tell me that. I think they went up here—up north—on the 28th of April. I have a note here to that effect—1914.

Commissioner WEINSTOCK. This shooting occurred there on the 27th?

Mr. DOYLE. Yes.

Commissioner WEINSTOCK. That would make it the day after the shooting?

Mr. DOYLE. Yes, sir.

Commissioner WEINSTOCK. Was there any trouble after the militia arrived?

Mr. DOYLE. I don't remember of there being any.

Commissioner WEINSTOCK. Would your record there show?

Mr. DOYLE. No. I keep a diary, when anything occurs to me and I am handy enough to mark it down, I generally do so for my own convenience; because I know conspiracies have been arranged that a man who is fighting coal operators and big powers, who is not careful to keep track of where he goes and if he had forgot the place where he had been at a certain time and a crime was committed, and if he couldn't tell where he was he would certainly be apt to be accused of that. And for that reason I try to keep notes, for a man who has as much to do with it as I have has to; and I might be able to learn.

Commissioner WEINSTOCK. Do you know whether it was common talk among the strikers in the northern field that they would get the militiamen when they returned?

Mr. DOYLE. I never heard of it.

Commissioner WEINSTOCK. You have heard nobody talk along those lines?

Mr. DOYLE. No, sir.

Commissioner WEINSTOCK. Do you know that the strikers in that part of the State say to the Regular soldiers that they have not given up their arms and that they intend to use them in handling the militiamen when they return to the field?

Mr. DOYLE. I have never heard the statement.

Commissioner WEINSTOCK. Never heard the statement?

Mr. DOYLE. No.

Commissioner WEINSTOCK. Do you know what the production of coal has been in the northern field during the strike?

Mr. DOYLE. I think in the northern field that the last figures I saw were about 71 per cent of normal as compared with the same period of time for the year previous to the strike—to the best of my recollection.

Commissioner WEINSTOCK. That is the best of your knowledge and belief; there has been a decrease of 29 per cent in the production?

Mr. DOYLE. Or a failure on the part of the companies to increase it to normal production on account of the strike.

Commissioner WEINSTOCK. Do you believe that as a result of the strike, conditions in the northern fields have been bettered by creating the inclosed camps inside of the stockade?

Mr. DOYLE. That would be a question. Now, I would want a little clearer; that is, do you mean to ask me that while the strike was on or after the strike is over as it is now and things have become settled?

Commissioner WEINSTOCK. Well, take the conditions as they existed immediately after the strike was called off—I mean, before the strike was called off?

Mr. DOYLE. Well, I think that the conditions are worse in the stockades—"bull pens" we often refer to them as—than they were before the strike.

Commissioner WEINSTOCK. And the strike took place when?

Mr. DOYLE. April 1, 1910.

Commissioner WEINSTOCK. 1910—that is about four and a half years ago?

Mr. DOYLE. Yes, sir.

Commissioner WEINSTOCK. Well, then, what has the worker in the north gained by virtue of the strike?

Mr. DOYLE. The north itself has not gained by the strike. They have sacrificed to even up, and the south has been the gainer.

Commissioner WEINSTOCK. What has the worker in the south gained by the strike?

Mr. DOYLE. Well, we did not gain the demands we made at Trinidad, but there is one certain thing, and that, I think, is proved by the correspondence that this commission has had introduced before it, between the C. F. & I. officials here and Rockefeller and others—that the condition that obtained in Colorado previous to the strike will never again obtain in that field; that is, that the operators will have a little bit more regard how they treat the men. The badly policemen or mine guards will not be as vicious as they were. The operators have learned that the miners can and will strike, and know that there is a limit to what they will endure of abuse and oppression put upon them. And though the strike has been called off, the spirit of the men will never permit again such impositions to be heaped upon them as heretofore. You know the men will not stand what they stood before. And then again the company knowing that the men can and will strike will put them in the attitude—at least if they will not do it openly, in their contract drawing to be a little more humane, and to treat their men a little more decently; and the result will be that conditions will be better in those fields, in my opinion, than they have ever been heretofore.

Commissioner WEINSTOCK. Your point, then, is your benefits, whatever they may be, that have been derived by the workers are indirect rather than direct?

Mr. DOYLE. They are indirect for some reasons. If all of the publicity that has come out in regard to this matter right now, if that had been brought out six months ago, the end of the strike would have been called before. There is no doubt but that the language of the letter from Mr. Welborn to Mr. Rockefeller and others shows that they were in a state of mind of not knowing what to do, and not in touch with public opinion, and if the exposures brought out by that correspondence were known in the community, it would have put the operators in such a hole that they would have been compelled to recognize their deficiency, even though they were such a power. And I think that the public eye is focused on the State of Colorado, and although the operators refused to accept the proposition of President Wilson—in spite of that the union officials came here and called off the strike; and the sympathy of the world is with the strikers, and I think the operators know that, but will not admit it; and I believe that the grievances of the miners will receive more consideration, and, I believe, if they do not, that there is a public that has had enough of this matter and feel sure that it will have proper consideration by this commission appointed by President Wilson. Then, too, I do not think the coal companies want to go through anything more like this and will do something to be decent to the men.

Commissioner WEINSTOCK. You are one of those that believes, in the last analysis, it is public opinion that counts?

Mr. DOYLE. I think public opinion ought to be considered, and I think if the public could get the full facts on both sides in any controversy it would be settled before there was any strike. I think that the public is entitled to consideration, for that reason that our organization begged and pleaded for a conference before the strike, in order to avert a strike—which was refused; and I think that if such a conference was had the strike would have been averted, if for no reason than for the sake of the public.

Commissioner WEINSTOCK. You are one, then, who is of the opinion that the public sentiment is the last factor that tells?

Mr. DOYLE. Yes, sir; I think it is a decided factor.

Commissioner WEINSTOCK. Yes—

Mr. DOYLE (interrupting). If, however, an organization of labor had everything in its favor to win, if the public were against them, justly or not, the organization would fail.

Commissioner WEINSTOCK. The statement has been made, I heard it many times, and you have doubtless, that no lockout can succeed, no strike can succeed, unless public sentiment and public opinion are behind them.

Mr. DOYLE. Well, it can not succeed perhaps in the degree it ought to, but it depends upon the size of the lockout and strike.

Commissioner WEINSTOCK. I refer to a large strike, of course.

Mr. DOYLE. If it were a little, insignificant strike, it may be settled, perhaps, contrary to public opinion.

Commissioner WEINSTOCK. We are speaking of great strikes that command national attention.



Mr. DOYLE. I think strikes are usually settled by public opinion, when they reach such a stage as this one has. I think, after the strike has been called off, the public are with the miners, and were before it was called, and will be more after calling it off.

Commissioner WEINSTOCK. Then if these strikes in the north—in the northern field—that have failed and in the south were called off, would that not indicate that public sentiment was not behind the strike?

Mr. DOYLE. Not necessarily. Public opinion may be based upon something that was not correct. And while it may be that it caused the end of the strike, at the same time it would not indicate that the principles for which the strike was called were not correct, or that the demands were not reasonable or right. It depends upon the information the public had and what it formed opinion on.

Commissioner WEINSTOCK. Surely. There has never been a strike in this country where the public had a better opportunity to get information on both sides in regard to the strike because of the many investigations that have been made and the great amount of publicity given to the world.

Mr. DOYLE. That is a matter that brings up the question of financial strength, and we have no one with the possession of vast funds like Rockefeller who can put a hundred million dollars aside to create entertainment and to create a monument for himself, no matter how he got it. We know that they have more means to reach the reading public than the striking miners, who can only spare a few dollars from his monthly earnings. We can not spend the money to secure addresses and to hire literary men and men of highest talent in the country to take charge of our publicity and put it before the country in attractive form whether it is true or not, and we have to fight against that. For instance, "Peace reigns in the State of Colorado, and a strike is called regardless of the justice of it"; the people hear of the strike and think of the disturbed conditions that it caused, but do not think of the conditions that existed because of which the strike should be called; and then again when it comes to a matter of publicity, those in the union who have to do with it are those who have come up through hard knocks and who have no education, and they have to compete against those who are schooled until they are men 20 and 25 years old, and perhaps old enough to be the father of the workman or the official of the labor union when they left college. We have this disadvantage, that they have everything in their favor. We may have the right of a thing, but we may lack the command of language to tell what we feel and know, and we have not the money to buy the services of those to put that in convincing language and circulate it before the world.

Commissioner WEINSTOCK. In your testimony this morning, Mr. Doyle, your statement, as I now recall it, was that so far as article 4 of the proposed agreement between the mine owners and the mine union was concerned—that article which provides that the employer has to deduct from the wage of every worker a certain amount to be turned over to the union—your testimony, as I remember it, was to the effect that that was optional with the employer, that it was not imperative that he must accept that specific specification; did I understand you correctly?

Mr. DOYLE. I believe, in answer to that, I stated that we have contracts and have had contracts with operators in the country and even in this State that did not contain that clause.

Commissioner WEINSTOCK. And I gathered further that it was voluntary on the part of the employer either to accept or reject, and that some of the employers preferred it.

Mr. DOYLE. I believe I stated that after getting them into conference we endeavored to show that it was to their advantage to have it.

Commissioner WEINSTOCK. But if you failed in satisfying them, then they need not accept it; that was the impression I got. If I am wrong, I wish you would please correct me.

Mr. DOYLE. If you were to come to me and wanted to make a deal for a certain amount of grain in the field before it was cut, you would not start right off the reel and say to me that you would give me a certain amount, but you would begin to dicker with me to make the best possible terms. That is the way with it. We go into conference and we tell them that the check-off system is best for us, and best for them, and we ask for it for the reason that it is best for all concerned—

Commissioner WEINSTOCK. My reason in asking that question is to get at the facts. Here in this publication issued by the coal-mine managers, series 1, entitled "Facts Concerning the Struggle in Colorado for Industrial Freedom," on page 66, this appears [reading]:

## " WHY COLORADO WAS ATTACKED.

" COLORADO MINERS ARE THE BEST PAID IN THE COUNTRY.

" 'Recognition' of the United Mine Workers of America means, in effect, that every man in the mine must be a member of the union. Every mine is required to pay the union dues and assessments first out of the man's pay.

" In brief, 'recognition' of this union means submission to this system of 'checking off' union dues, fines, and assessments before any man can be paid the wages he has earned.

" These assessments may be made by the union's officers at any time and for any purpose. For example, out of the wages of miners in other sections of the country than Colorado had to be 'checked off' the funds to meet the expense incident to stirring up the strike in Colorado."

Now, according to this statement there is no option on the part of the employer, but he must submit to that proposition.

Mr. DOYLE. That is not correct. The operators have maintained the attitude they would not meet the representatives of the miners' union, because if they even met them at a dinner or anywhere else, or come close enough to them to find out they were actually human beings and stood on two feet, that would be a recognition of the union. Now, it came out in that pamphlet that the union makes collection of dues and assessments through their officers. Now, if that statement is correct, is the other correct? They can't both be correct—

Commissioner WEINSTOCK. Let us confine ourselves to the point at issue, and not wander off, Mr. Doyle. You heard me read this article?

Mr. DOYLE. Yes, sir.

Commissioner WEINSTOCK. Please be good enough to say whether or not that is a correct statement on the part of the operators?

Mr. DOYLE. It is not correct.

Commissioner WEINSTOCK. You deny the statement that the employer, when he enters into an agreement with the union, must deduct from the wages of every man in his employ a portion of their wages for that purpose and turn it over to the union?

Mr. DOYLE. That depends. There is recognition of different degrees. You may recognize the union and check off its dues, and so forth, and you may recognize the union and not check it off. You may recognize it to a certain degree. It is a question of degree.

Commissioner WEINSTOCK. If I, as a miner, may recognize the union and check it off, if I may do it, that is very different from saying I must do it, because "must" leaves no option; "must" is mandatory; "may" is optional. Now, I understand you to say that this statement published here is not a correct statement?

Mr. DOYLE. It is not.

Commissioner WEINSTOCK. That the employer is not compelled to deduct; he may have the choice of deducting?

Mr. DOYLE. That depends upon the contract. If he contracts in a conference and agrees to deduct, he does so. If he makes a contract that does not include that article, he does not deduct.

Commissioner WEINSTOCK. Exactly. Can you put in evidence a contract or mention a contract where the employer is not obligated to do that?

Mr. DOYLE. Have I not told you that the contract—that contracts formerly existed to that effect?

Commissioner WEINSTOCK. Will you give us the name of any employer operating under a contract with the union who is not compelled to deduct these sums from the wages of the men?

Mr. DOYLE. I think one contract of that kind exists in West Virginia now.

Commissioner WEINSTOCK. I am speaking of Colorado.

Mr. DOYLE. I did not say there were any at this time in Colorado. I said that one formerly existed in Colorado.

Commissioner WEINSTOCK. But, so far as you know, there is no contract in Colorado now existing where an employer does not deduct from the wages of the men and turn it over to the union?

Mr. DOYLE. Working under contract with the union?

Commissioner WEINSTOCK. Yes.

Mr. DOYLE. None except one little place in Weld County, where the dues have not been deducted for months. There will be others.

Commissioner WEINSTOCK. I presume you have looked over this pamphlet?

Mr. DOYLE. I have seen it, but I don't know that I have read it.

Commissioner WEINSTOCK. You have read some of the publications issued by the employers?

Mr. DOYLE. Yes, sir; I have read some on the street cars as I would get time.

Commissioner WEINSTOCK. Would you want this commission to accept all the printed publications, printed by the employers, at their face value, that have been submitted to this commission?

Mr. DOYLE. I would want them to weigh well anything—be fair enough to weigh anything they may have published—and if in their conclusions they thought that certain statements, or parts of statements—I do not think they ought to take them as a whole—ought to be believed, to do so, and if their evidence was sufficient to overcome what was published, and it was seen to be not true, they ought to so consider it.

Commissioner WEINSTOCK. You pointed out that this particular statement I just read to you was not correct. Now, do you believe there are other statements contained in these publications that are not correct and should not be accepted?

Mr. DOYLE. There are others that are not correct, but without looking it over I can not tell you just what they are.

Commissioner WEINSTOCK. Are we to understand, Mr. Doyle, that you take the ground that all of the published official statements—and, of course, you are not responsible for unofficial statements—but that all of the official statements published by the union are correct and can be accepted at 100 per cent face value?

Mr. DOYLE. You must not forget which side I am on. I am on the miners' side, and for that reason I am not one of those "holier than thou" people that believe the laboring man can not err. There are no doubt statements in our publicity matter that have been written in there that are but conclusions of the writer or of the person with whom he may have conferred about the matter, and I would say—I would not say that everything the mine workers published was absolutely correct, either grammatically or any other way; but there is no doubt but that if you will take the full volume of stuff published by the operators and the full volume of stuff published by the organization and make comparison letter by letter, paragraph by paragraph and page by page for corroboration as to the truth of the statements, you will find, as compared with their statements, that ours are true in relation of 3 to 1.

Commissioner WEINSTOCK. Then, summing up, I am left in this frame of mind by your statement: That we should not accept a document like this at 100 per cent of its face value, but even the mine workers may have made errors in their published statements, and that they ought to be read very carefully and critically likewise?

Mr. DOYLE. We would all be angels if we did not make mistakes.

Commissioner WEINSTOCK. I do not have the facts—I do not have clear in my mind a statement you made this morning when I questioned you about this man Martin. I think he was a militiaman. During the recess I looked up the testimony to refresh my memory. Let me read it to you, and see if you care to comment on it. This is the testimony of Linderfelt. Linderfelt goes on to say:

"Lawrence reported that Pvt. Martin had been wounded—shot in the neck. I asked him where he was. He said they could not carry him back, but they had left him in a small hole, where he was safe, and had put a first-aid bandage on him. Along in the afternoon, late in the afternoon, when the final advance was made in that direction, Pvt. Martin was found with the first-aid bandage torn off, his face beat in with the butts of guns, stamped in, one eye was out of his head, one of the men shoved it back in with his fingers, his body had been riddled with bullets. I think it was the next day I examined the place thoroughly myself and I found where they had stood over him with a Mannlicher 8-millimeter rifle and fired down through his chest, and through his mouth, and pieces of bones and flesh were on the ground where he had lain, with the bullet holes. I dug up the bullets and I found they were the Mannlicher; I found the clip with the empty shells lying beside him."

Do you care to comment on that?

Mr. DOYLE. I don't know anything more about the matter than I stated this morning—that I was not down there at the time. If you want me to comment on it, all I can say is that if the statement made in that record is true, I would point, as a comparison, to the 2 women and 11 babies that were taken out of the hole at Ludlow.

Mr. WEINSTOCK. That is not in answer to my question; that is side-stepping it.

Chairman WALSH. You asked him if he cared to comment on it.

Mr. DOYLE. What comment do you want?

Commissioner WEINSTOCK. The question is, whether, from your own knowledge, you know whether that is a fact or not?

Mr. DOYLE. No; I don't know.

Commissioner WEINSTOCK. So far as you know it may be a fact?

Mr. DOYLE. Well, there is a good chance of it not being a fact. I understand he is dead.

Commissioner WEINSTOCK. If it is a fact, is it a manly action or not?

Mr. DOYLE. Manly? Can the act of any human butcher be manly? I should say not. It is just as horrible as the killing of anybody under any other circumstances, if he was killed or butchered. No man has a right to kill or butcher another, and no right to chop them up, as they are doing over in Europe now.

Commissioner WEINSTOCK. You deprecate that action on one side as well as on the other side?

Mr. DOYLE. Yes, sir; the man is a human being, and has a mother.

Commissioner WEINSTOCK. I have before me, Mr. Doyle, a digest of the brief of the coal mining operators, prepared by their attorneys for the coal-mine operators, and among other things this statement appears—

Mr. DOYLE. What brief is that, in what case?

Commissioner WEINSTOCK. This is a digest of the brief of the coal-mine operators, prepared by Fred Herrington, Frank E. Gove, J. V. Sickman, George C. Manley, Charles Hayden, and Jesse C. Northcutt, attorneys for the coal-mining companies. I take it that that this was before the congressional committee.

Mr. DOYLE. I take it that is what it was.

Commissioner WEINSTOCK. Among other things stated here in this extract or digest is the following [reads]:

**"REASONS FOR OPPOSITION OF OPERATORS TO MINE WORKERS' ORGANIZATION.**

**"(a) Unsatisfactory operation of union contracts in northern Colorado field.**

**"(b) Unlawful character and unbearable conduct of miners' organization.**

**"(c) Breaking of contracts—**

**"1. By striking without conference as required by contract (Bettis case).**

**"2. By repudiation of promises (Bettis case)."**

Now, the one particular point I want to take up at this stage, Mr. Doyle, is the one where the charge is made that the unions are contract breakers. Will you give us your point of view on that?

Mr. DOYLE. Yes, sir. I want to first state that with reference to the case referred to there, called the Bettis case, that I am thoroughly convinced that Mr. Bettis did not sign up a contract with the union in good faith.

Commissioner WEINSTOCK. Will you please tell us who Bettis was?

Mr. DOYLE. Bettis operated a mine called the Royal Gorge, near Canon City, Colo.

Commissioner WEINSTOCK. He was a mine operator?

Mr. DOYLE. Yes; I guess he owned the mine. We sent out a letter which, if not already introduced into the record ought to be, to all operators of the State on August 26, 1913, asking for a conference, and if that has not been introduced in evidence I shall be glad to put a copy in, and asking for a conference. At about 9.30 the next morning—that was sent out about noon—I got a phone message from Bettis. I had never met the man before in my life and never had any organization dealings with him, and I don't know whether any of the others had. And he said that he would be very glad to sign up with union, and he signed up a contract on the 7th of the following month, I think it was, shortly after that. He broke the contract afterwards, as we can bring men down here who were in charge and show it. And it leaked out in a way, it was mentioned to us, that Mr. Bettis was in constant communication with Mr. Herrington, of the C. F. & I., just previous to the strike, and reported how the organization was handling men and having meetings and what they were saying in the meetings, and so forth, leading us to believe he was in the service of Herrington. And immediately on signing his contracts he made statements that the union was responsible for the raising of coal in order to get public sentiment against the union. Since then, however, he has leased his mine to others, and it is working under union contract.

Commissioner WEINSTOCK. Will you tell the commission how he broke his contract?

Mr. DOYLE. I have not the details, but before the congressional committee that matter came up. I believe that Dave Robb, national organizer, handled that matter and could give a fair statement of it.

Commissioner WEINSTOCK. You are not familiar with the details?

Mr. DOYLE. No, sir.

Commissioner WEINSTOCK. I have in mind—

Mr. DOYLE (interrupting). Just before you go off that matter of breaking contract, they always state that we break contracts. We have an organizer all over the country in the Eastern States, and you never hear of it there. I have a letter from Ottumwa, Iowa, and I will read it into the record. I have not been able to look up another letter that I wanted to introduce into the record, showing that contracts are not violated, from the president of the operators of the association in the State of Iowa; but this is the only one that I could find; it was written to the secretary of the district. It is as follows [reads]:

WAPELLO COAL CO.,  
H. L. WATERMAN, GENERAL MANAGER,  
Ottumwa, Iowa, October 6, 1913.

Mr. JOHN GAY,

*Sec. Treas. U. M. W. of A., Dist. 13, Albia, Iowa.*

DEAR SIR: I am in receipt of your inquiry of the 2d instant as to which, in my experience, is the more beneficial to the mining industry, the employment of union or nonunion labor.

For nearly 30 years I have had charge of mines where from 500 to 700 men were employed, and during the past 13 years have operated under a joint agreement between the operators and the United Mine Workers of America.

While in the earlier years operations under the agreement were often accompanied with more or less friction, much of this has passed away, and under later agreements an honest effort has been made by all parties concerned to live up to both the letter and the spirit of contracts. And while the cost of production has increased through shortened hours and increase in day wages and price of mining, chargeable partly to the very perfect organization of the miners and partly to the advance in the cost of living, still I am satisfied that whatever advances are due to the former cause are more than offset by the greater stability given the industry by avoiding the losses which would inevitably occur through operating with unorganized labor, resulting in shutdowns and strikes.

Yours, truly,

H. L. WATERMAN, *Vice President.*

Commissioner WEINSTOCK. How many miners did that concern employ?

Mr. DOYLE. He says he has had charge of mines where from 500 to 700 men were employed.

Commissioner WEINSTOCK. I have here a clipping from the Coal Age, a publication issued somewhere in the East, under date of December 20, 1913, which contains—I will not read the whole thing, but will just take the heart out of it and you can answer it. It is issued by the Association of Bituminous Coal Operators of Central Pennsylvania, 301 Betz Building, and addressed to Mr. Patrick Gilday, president district No. 2 United Mine Workers of America, Morrisdale mines, Pennsylvania. Dated Philadelphia, December 12, 1913, and it says [reading]:

"DEAR SIR: The executive board of the Association of Bituminous Coal Operators of Central Pennsylvania held a meeting here to-day, approved and directed that the following communication be forwarded to you at once:"

And then it goes on through several whereases, and I will just deal with the one touching on broken contracts—

"Whereas rules 12 and 13 of said agreement provide, 'Should differences arise between the Operators and Mine Workers as to the meaning of the provisions of this agreement, or about matters not specifically mentioned in the agreement, there shall be no suspension of work on account of such differences, but an earnest effort be made to settle such differences immediately;'"

Then it goes on to say further:

"Whereas, notwithstanding the fact that rule No. 15 provides, 'The right to hire and discharge, the management of the mine, and the direction of the working forces are vested exclusively in the operator,' the United Mine Workers of America have absolutely disregarded this rule in that they have

at numerous times served notices on substantially every operator belonging to our association that unless all of the employees working for such operator should become members of the union on or before certain dates mentioned in said notices, that they, the Mine Workers, would close or shut down the Operators' respective mines, and in many instances did close the mines for this reason and refused to return to work unless such nonunion employees were discharged. This conduct is in direct violation of your contract and specifically interferes with and abridges the right of the Operator to hire and discharge, of the management of the mine, and of the direction of the working forces; this conduct and violation of contract on part of the Mine Workers, as well as that mentioned in the preceding paragraph, has resulted in more than 100 strikes during the life of our scale agreement; and

"Whereas notwithstanding the fact that the Operators appealed to you as president of the United Mine Workers of America of district No. 2 to enforce and carry out your contract, and your repeated admissions that the Mine Workers were not living up to their contract, but that you, individually, were doing all in your power to compel performance thereof, nevertheless it has been open and notorious that your subofficials, organizers, and like employees have been continuing this line of conduct down to the present date."

Then it goes on to say:

"Be it resolved, therefore, That the Operators enter a vigorous protest and demand of Patrick Gilday, president, and the executive board of the Mine Workers of this district an immediate cessation of the conduct hereinbefore recited and that they strictly enforce on the part of the Mine Workers their covenants contained in said contract, and in event of the failure to cease such conduct within the next 10 days that the president and secretary of the Operators' association shall call a special meeting of the members thereof for the purpose of considering the final dissolution of its association on the specific ground that it is useless to enter into contract obligations with a body that steadfastly refuses to fulfill the same and which no official apparently has power to enforce.

"Yours, truly,

"W. R. ROBERTS, *Secretary.*"

Can you give this commission any information on that?

Mr. DOYLE. Do you know whether there is a district 20 check-off clause in there or not?

Commissioner WEINSTOCK. No.

Mr. DOYLE. I am of the opinion, if my memory serves me right, and that is one good argument to show the absolute necessity of a check-off clause in the contract. For instance, those men who violate contracts—I am not maintaining they don't—there are local violations, and the subcontracts referred to there could not be made in conflict with the main contract. Before they had the check-off system, which the operators in that field refused to give, it took the very means out of the hands of the officials of the union whereby they could discipline their members. For instance, in Illinois, when the men refused to work because of a fight between the checkweighman and the top boss, the district secretary came down and said to him, "You go to work or you will be fined and it will be taken out of your wages," and as a result we went to work. With the check-off system we can discipline the men.

Commissioner WEINSTOCK. Do you know what was the outcome of this controversy?

Mr. DOYLE. There has been no strikes in our official papers that has come to my attention since. I remember something about that appearing in the Coal Mining Review, published by an ex-international president of ours, but there has nothing serious happened over it.

Commissioner WEINSTOCK. Do you know whether or not the employers' association did call a special meeting and did or did not dissolve its association?

Mr. DOYLE. No; I do not know.

Commissioner WEINSTOCK. Do you know whether or not that association is to-day in existence?

Mr. DOYLE. No; I do not. I might add, in connection with that district, that it is practically agreed in all circles that if "Divine Right" Baer were alive to make the next contract he would include the check-off system in the contract.

Commissioner WEINSTOCK. If who were alive?

Mr. DOYLE. "Divine Right" Baer, George F. Baer, who said that certain men were born with the divine right to take care of the interests of the workmen.

Commissioner WEINSTOCK. My attention is called to a report printed by the authority of the Colorado State Federation of Labor. This report was published in 1914, and on page 16 of that report is the following [reads]:

"Therefore be it resolved, That this convention call upon Gov. Ammons to immediately turn over to civil authorities the so-called military prisoners, so that they may be placed in communication with their attorneys and friends.

"The convention further demands that Gov. Ammons remove from office Adj. Gen. John G. Chase, Judge Advocate Boughton, Maj. Charles E. Townsend, and Capt. Householder; and, further, that he abolish the illegal military commission; and

"Be it further resolved, That if within five days Gov. Ammons fails to comply with the requests of this convention, representing all of the organized labor of Colorado, the executive board of the Colorado State Federation of Labor is instructed to at once circulate petitions to recall him from office; and

"Be it further resolved, That this convention declare itself in favor of a State-wide strike of every working man and woman in this State as a protest against, and to enforce a demand for the cessation of the abuses of human rights and liberties cited above; and

"Be it further resolved, That the date for the inauguration of this State-wide strike be left in the hands of the executive board of the Colorado State Federation of Labor, who are instructed to issue the call without notice of any kind whatever in their judgment the moment for action has arrived."

Commissioner WEINSTOCK. Did Gov. Ammons remove Gen. Chase and Maj. Boughton and Maj. Townsend and Capt. Householder?

Mr. DOYLE. Not that I know of. Let me ask a question. What is the date of that again? I thought you said 1914.

Commissioner WEINSTOCK. That is the inquiry—

Mr. DOYLE (interrupting). Is the resolution dated, may I ask? My reason for asking is whether it was this last December's convention. If it was, it is 1913. That is right, 1913. Now, that is printed there in 1914, by the executive act of the board, but it is the proceedings of the convention of December, 1913, 16, 17, 18, 1913, held in December—

Commissioner WEINSTOCK. Of November?

Mr. DOYLE. December.

Commissioner WEINSTOCK. December?

Mr. DOYLE. Yes; 1913.

Commissioner WEINSTOCK. Just about a year ago?

Mr. DOYLE. Yes, sir; I wondered where it came from in 1914.

Commissioner WEINSTOCK. Yes. Well, you say these military officials were not removed by Gov. Ammons?

Mr. DOYLE. No; they were not that I know of. I think they are still holding their positions.

Commissioner WEINSTOCK. Well, were petitions circulated to recall Gov. Ammons from office?

Mr. DOYLE. Now, I ain't certain of that. I know they were authorized to get them out, but I think they were not circulated.

Commissioner WEINSTOCK. Was there a general strike called?

Mr. DOYLE. No.

Commissioner WEINSTOCK. There was not?

Mr. DOYLE. No.

Commissioner WEINSTOCK. Then the resolutions provided for here were not carried out?

Mr. DOYLE. They put it in the judgment of the board to do it—not to call a general strike.

Commissioner WEINSTOCK. Simply the date is in the judgment of the board? It says [reading]:

"Be it further resolved, That this convention declares it is in favor of a State-wide strike of working men and women in this State as a protest against and to enforce a demand for the cessation of abuses of human rights; and

"Be it further resolved, That the date for the inauguration of this State-wide strike be left in the hands of the executive board."

That was the only discretion they had, was to fix the date; but the strike was to go.

Mr. DOYLE. Perhaps they have not fixed the date yet.

Commissioner WEINSTOCK. Well, then, evidently the entire resolution to recall Gov. Ammons was not carried out and the resolution to declare the State-wide strike has not yet been carried out?

Mr. DOYLE. No.

Commissioner WEINSTOCK. You have touched upon or referred, Mr. Doyle, several times in your testimony to the many acts—the many wrongful and unlawful acts said to have been committed by the State militia and by the mine guards and those sympathizing with or working under the mine owner. I have here a letter dated Denver, Colo., April 30, 1914, or rather a copy of a letter addressed to the Hon. M. D. Foster, House of Representatives, Washington, D. C. I take it that Dr. Foster was the chairman of the congressional committee that conducted the investigation in Colorado?

Mr. DOYLE. Yes, sir.

Commissioner WEINSTOCK. Now, this document is signed, as I recall it—I haven't the last page here, but I believe it was signed by very many of the coal operators. Among other things—oh, yes; here they are—by the Colorado Fuel & Iron Co., the Rocky Mountain Fuel Co., and so on; there are 10 or more signatures. Among other things this communication makes this statement [reading]:

"On April 23, Lawson, international board member United Mine Workers of America, and the leader of the strikers, in an interview published throughout the State, asserted that a war of extermination would thenceforth be conducted by the strikers, and Doyle, secretary of the U. M. W. of A., by wire, instructed the officials of local unions to watch for the approach of the militia, which had been again ordered back into the field. The meaning and purpose of such language was obvious."

Is it a fact, Mr. Doyle, that you instructed by wire the officials of the local unions to watch for the approach of the militia?

Mr. DOYLE. That would all depend upon the interpretation placed upon it.

Commissioner WEINSTOCK. Well, that does not answer my question. I put a straight question to you that is easily answered.

Mr. DOYLE. Well.

Commissioner WEINSTOCK. Did you, by wire, instruct the officials of the local unions to watch for the approach of the militia?

Mr. DOYLE. I warned the miners and their families when the militia left here to take all the women and children away from within bullet distance of the train so these fellows would not be able to kill any more as they had been killed before.

Commissioner WEINSTOCK. Have you a copy of that wire?

Mr. DOYLE. I think my counsel has it down at the trial down there. It is being brought up, I think, in this trial at Canon, in defense of these people—

Commissioner WEINSTOCK (interrupting). Was that wire sent from Denver?

Mr. DOYLE. Yes.

Commissioner WEINSTOCK. To Ludlow?

Mr. DOYLE. No; I don't remember just who it was sent to, or the names put on it; but Attorney Hawkins has it.

Commissioner WEINSTOCK. I suppose copies of it were filed in the local telegraph office here?

Mr. DOYLE. Yes; I presume so.

Commissioner WEINSTOCK. And could be procured?

Mr. DOYLE. Yes; you can get a copy from him down there.

Commissioner WEINSTOCK. And the communication goes on to say [reading]:

"Since that time the strikers in armed bands, varying in number from 50 to 400, have attacked the town of Delagua from the hills and killed three men. They have dynamited and burned the buildings and equipment of the Empire, Southwestern, and Green Canyon mines at Aguilar."

Mr. DOYLE. I don't know anything about that personally at all.

Commissioner WEINSTOCK. Would you accept hearsay statements as a fact in this case?

Mr. DOYLE. No; the operators who are responsible for that document have pictured me as a murderer, anarchist—anything but a decent, law-abiding citizen; everything a man can name; and anybody picturing me that way, and I, of course, not agreeing with them that I am such, I couldn't very well agree with that part of the statements made by them. Pardon me, that mentions Lawson and says he said a war of extermination would take place?

Commissioner WEINSTOCK. Yes.

Mr. DOYLE. I don't believe Board Member Lawson ever made any such statement. Of course, when he gets on the stand you can find out from him directly. And in connection with all that you said about the State federation of labor and the resolution passed, I have a copy of the resolution that the convention passed



at that same convention that I would like to introduce as my record and leave the stenographer have it.

Commissioner WEINSTOCK. Is it very long?

Mr. DOYLE. Yes; it is about nine pages.

Commissioner WEINSTOCK. Can you give us the substance of it?

Mr. DOYLE. Why, it is outlining the outrages referred to in the other resolution.

Commissioner WEINSTOCK. That is a list of outrages alleged to have been committed by the other side?

Mr. DOYLE. General statements of things that have occurred, as giving reasons and the whereas why the governor could do something to prevent such; and it ends up by telling what they have done—how they let mine guards in the militia and held people incommunicado; and says they were trying to abridge the freedom of speech, and all that stuff, that I think would be interesting; and it calls upon the governor, I believe, to take some action to stop it. At that time the convention made an appointment with the governor, and marched up here to the statehouse and had him appear before the main body, which resulted in his suggesting a committee of investigation be appointed, which was appointed, and whose investigation, a verbatim copy in our office, from which I have made extracts, which I wish to incorporate at a later time.

Commissioner WEINSTOCK. Very well. You may hand that paper to the reporter to be made a part of the record.

(The resolution referred to appears among exhibits at the end of this subject, under the title "Doyle Exhibit No. 3.")

Commissioner WEINSTOCK (reading):

"Since that time the strikers, in armed bands varying in number from 50 to 400, have attacked the town of Delagua from the hills and killed three men. They have dynamited and burned the buildings and equipment of the Empire, Southwestern, and Green Canyon mines at Aguilar. They have driven men, women, and children into the Empire mine and sealed the entrance with explosives."

I will stop at every period to give you an opportunity to make comment, if you wish to.

Mr. DOYLE. I have no comment on that. Am I correct that that is the letter to Foster, or a brief?

Commissioner WEINSTOCK. That is a letter to Foster, written by the various coal-mine owners. [Continues reading:]

"After the declaration of a truce agreed to between the governor and Hawkins, attorney for the U. M. W. of A., they drove the postmaster and others away from the Sunnyside mine and took possession of it, as well as the Pictou mine."

Mr. DOYLE. I have no comment.

Commissioner WEINSTOCK (reading):

"They dynamited the tippie at the McLaughlin mine and fired many shots into the buildings at Maitland."

Mr. DOYLE. I don't know anything about that.

Commissioner WEINSTOCK (reading):

"They forcibly entered the store building at Rockvale and carried away guns and ammunition."

Have you any knowledge of that?

Mr. DOYLE. I haven't any knowledge of any of those things. But if it is a matter of record you want, why not put it all in the record?

Commissioner WEINSTOCK. Well, there may be some statements here that you may wish to say something about.

Mr. DOYLE. Very well. If you have the time, I have.

Commissioner WEINSTOCK. I want to afford you the opportunity—

Mr. DOYLE (interrupting). Well.

Commissioner WEINSTOCK (reading):

"They attacked the buildings and dwelling houses at the Chandler mine and kept up a merciless fire from the hills for nearly 40 hours, killed one man, and finally took possession of the camp by slipping in a number of men under a white flag."

Mr. DOYLE. I have no comment on it.

Commissioner WEINSTOCK (reading):

"They have burned, dynamited, and completely destroyed the McNally mine in Huerfano County, kept up an almost continuous fire from intrenchments for 50 hours upon the Walsen mine, wounded one woman, killed one and wounded four men, and killed a surgeon wearing Red Cross insignia while attending wounded soldier on field."

Mr. DOYLE. No comment.

Commissioner WEINSTOCK (reading):

"They viciously attacked the Hecla mine in Boulder County, killed one and wounded three men, and drove all employees and their families to cover for many hours."

Mr. DOYLE. No comment.

Commissioner WEINSTOCK (reading):

"They attacked the Forbes mine in Las Animas County with a force of 400 armed men, killed seven miners, including four Japanese, and burned everything in sight, including a stable of 33 mules."

Mr. DOYLE. No comment.

Commissioner WEINSTOCK (reading):

"In the prosecution of their campaign of extermination the foregoing are some of the things these men have done during the past few days with the tacit consent, active cooperation, and under the personal direction and control of officers and paid agents of the United Mine Workers of America."

Mr. DOYLE. No comment.

Commissioner WEINSTOCK. Is it true, so far as you know as an official of the United Mine Workers, that such things were done with the tacit consent, active cooperation, and under the personal direction and control of officers and paid agents of the Mine Workers of America?

Mr. DOYLE. I think it is a lie of whole cloth.

Commissioner WEINSTOCK. You saw none of these things with your own eyes?

Mr. DOYLE. No, sir.

Commissioner WEINSTOCK. You did not see the battle at Ludlow?

Mr. DOYLE. No, sir.

Commissioner WEINSTOCK. You tell us though that from statements made to you by the miners at Ludlow, you believe that the military were the aggressors in the matter—that the military were the first to fire?

Mr. DOYLE. Well, I presume you call them military, which was left there, which really would be—

Commissioner WEINSTOCK (interrupting). National guardsmen under the direction—

Mr. DOYLE (interrupting). Yes; I believe they were the first to fire. I don't see what business they had down there at the homes of the miners of the tent colony if they were not there to fire. If they had been up there working at the mine, probably no trouble would have happened.

Commissioner WEINSTOCK. You believe that despite the fact that was hearsay and despite the fact that as you explained this morning when it came to members of the union character did not enter; that men of character and men of no character were permitted to join the union; and that if statements were made to you by the miners you would accept them in connection with matters of this kind?

Mr. DOYLE. Before answering, if you will give me the permission, I would ask whether you are a member of the chamber of commerce?

Commissioner WEINSTOCK. Yes.

Mr. DOYLE. Would you believe a member of the chamber of commerce who told you something he had seen and heard, and his character was not examined before he became a member of the chamber of commerce?

Commissioner WEINSTOCK. I would have to know the man before I could know whether or not to believe him as a member of the chamber of commerce. I tell you frankly I would not believe every member of the chamber of commerce.

Mr. DOYLE. Very well.

Commissioner WEINSTOCK. I will also tell you with absolute frankness that I would not believe every member of a labor organization.

Mr. DOYLE. Well, neither would I. I may have to use my judgment.

Commissioner WEINSTOCK. Then I misunderstood your testimony when you made the statement that if a man, a unionist, told you something, you would believe it.

Mr. DOYLE. I made a statement—in making a statement, a man who knew the manifold conditions, industrial conditions, in a strike district and was a party to it and who had some reason to know, and I had some reason to believe he ought to know from the position he was in, certainly I would believe him.

Commissioner WEINSTOCK. You would believe him because he was a miner?

Mr. DOYLE. No; because I thought he was telling the truth.

Commissioner WEINSTOCK. Well, you thought he was telling the truth, you said, because he was a miner?

Mr. DOYLE. No; I thought he was telling the truth not because he was a miner but because being a miner or being a member of the union or in a position to know about the conditions under which he worked, or about the conditions under which he was striking.

Commissioner WEINSTOCK. Exactly; and if in an affair like the Ludlow difficulty a miner told you something you would believe him?

Mr. DOYLE. That would all depend. If the miner was telling something, and I thought he was in a position to know, I would believe him.

Commissioner WEINSTOCK. Then I take it you want to qualify your testimony of, I have forgotten whether it was this morning or Saturday afternoon, where you made the blanket statement that where a miner told you anything about something you would believe it?

Mr. DOYLE. I told you if his position as a miner—if he was in a position to know the condition. I qualified that, but if you want to interpret it to suit yourself I will not object.

Commissioner WEINSTOCK. Then you mean to qualify that?

Mr. DOYLE. Yes; I did.

Commissioner WEINSTOCK. I thought that was a broad blanket statement, Mr. Doyle, and it made quite an impression on me, and I made a note of it at the time as being a very remarkable statement.

Mr. DOYLE. Yes.

Commissioner WEINSTOCK. Somebody gave me a clipping here, Mr. Doyle—

Mr. DOYLE (interrupting). Yes, sir.

Commissioner WEINSTOCK. It is headed "Walter Drew's view. The attorney for the employers' association protests against the closed shop. Walter Drew, the counsel for a joint committee for a large number of open-shop organizations, who was present at most of the hearings before the United States Commission on Industrial Relations, said yesterday that a very large percentage of the strikes of recent years have had for their purpose not the increase of wages or the decrease of hours but the establishment of a closed shop. The objection to the closed shop, Mr. Drew said, lies in the fact the workman holds his job by the power of the union and not by his merit."

Is that correct?

Mr. DOYLE. That is not correct. The closed-shop matter is necessary—I will be as brief in that as I can—just the same as sanitation is necessary in a community to keep health. And in order to keep conditions proper and properly protect the men, the matter of men holding their jobs merely by membership in the union, instead of by their ability to do certain work, or to perform certain work, is not correct. As to the matter of efficiency, there has been so much said, but if you want a statement on that subject I will be glad to make one. If not, I will be glad to let it rest, because you will agree with me, anyhow.

Commissioner WEINSTOCK. I understand, Mr. Doyle, that you take the position that men are not; that is, conditions are not established whereby men hold their jobs simply because of their union affiliation, regardless of merit?

Mr. DOYLE. Oh, no. I hold that they do not hold their jobs, as I understood that clipping to say, simply because they are members of the organization.

Commissioner WEINSTOCK. Yes; that is what the clipping said, that they held their jobs because they happened to be members of the association and not because of merit.

Mr. DOYLE. That is not correct, except where a man is fired for an unjust cause and the arbitration courts provided for in the agreement are appealed to and a decision rendered in favor of the man—if he was fired because of personal prejudice or something of that kind or because he did not belong to the right church or did not vote right or something of that kind, why, then, naturally, he would be defended by that organization; and we consider it a blessing that his rights would be protected, because he would be too weak to fight the employers himself and protect his rights in that respect.

Commissioner WEINSTOCK. You believe, then, that under the union conditions an employer has the right to exercise the right of dismissing a man who is inefficient?

Mr. DOYLE. Yes. If the man can not perform the work, he certainly has that right.

Commissioner WEINSTOCK. For my information, Mr. Doyle, will you be good enough to tell me whether in the State of Colorado you have the initiative?

Mr. DOYLE. Yes, sir; we have the initiative and referendum.

Commissioner WEINSTOCK. And you have the referendum?

Mr. DOYLE. Yes, sir.

Commissioner WEINSTOCK. And you have the recall?

Mr. DOYLE. Yes.

Commissioner WEINSTOCK. Now, charges have been made at various times before this commission and in other directions that the mining laws of Colorado were not enforced. Is that correct, Mr. Doyle?

Mr. DOYLE. Yes; that is one of the complaints—about the laws that affect the miners—as I testified to Saturday.

Commissioner WEINSTOCK. Now, if the mining laws were not enforced, and with the power at the command of the wage earners, who naturally largely outnumber the employers in the State, why did not the union institute prosecutions?

Mr. DOYLE. Perhaps for the same reason that though the people are at liberty to vote—the citizens in this country—they do not always elect the right man to public office. Many other factors enter into a thing of that kind. We had an eight-hour law passed here, and those interested in having it defeated secured petitions to have it referred and thus prevented it from becoming a law for two years, until it came up at the next election. In the meantime some interests initiated another eight-hour law contrary to this one—really a fake eight-hour law—and had both upon the ballot, one by being referred, and one by being initiated for the next election. As a result both carried. But the real eight-hour law, as passed by the legislature, as I understand it, was decided by the supreme court, upon request of the legislature, that it was the one that should take precedence over the other; and you can readily see the fairness where anybody could pay 10 cents a signature, or something, to people who misrepresented the facts, in presenting the petition, and had the petition to refer signed by telling them it was a petition for an eight-hour law, for instance, or a petition to get one, and then tried to confuse the voters into voting for what they believed they were voting for.

Commissioner WEINSTOCK. Are there any instances on record, Mr. Doyle, where the unions have instituted prosecutions for failure on the part of the mine owners to carry out the mandates of the mining laws?

Mr. DOYLE. No; the union, as such, can not sue.

Commissioner WEINSTOCK. Can not an individual member of the union bring suit?

Mr. DOYLE. Oh, yes.

Commissioner WEINSTOCK. Or prefer charges?

Mr. DOYLE. Oh, yes.

Commissioner WEINSTOCK. Has that been done at any time?

Mr. DOYLE. I know of no individual that has brought charges because of that. We have fought in a number of ways to try to get the right legislation passed, and have used all our influence, but the pressure brought by the coal companies, for instance, in opposition to any legislation affecting them shows that the voters are pretty well dictated to in the coal-mining camps. Now, here I would like to quote, if you will, from the abstract of the votes cast at the primary election held on the 5th day of November, A. D. 1912. This is a document gotten out by the secretary of state, James R. Pearce, in 1913, and it goes on to show here that for the fake eight-hour law that I referred to that was initiated the vote in Huerfano County for the fake eight-hour law was 605 as against 1,268, and the vote in Fremont County 1,331 as against 2,105. And on the house bill that had been referred by petition, the vote favoring that shows that in Boulder County in favor of it there were 3,587 to 1,511 against it; while in the same county in favor of it there were 2,011 votes and 2,650 votes against it. And in Huerfano County for the genuine eight-hour law there were cast only 984 votes for that law and 1,156 votes against it. While the fake law received 679 votes in Las Animas County and 1,370 votes against it, there was cast 1,658 votes for the genuine law and 1,201 against the genuine eight-hour law. It shows it has been manipulated. Take it for the genuine eight-hour law in Pueblo, where the C. F. & I. has its steel plant; there was 4,523 for the genuine law as compared with 1,804 against it; and then the fake eight-hour law received 422 votes in favor of it—for the passage of the fake eight-hour law—and against the fake eight-hour law only 2,023 votes. Now, surely those men would not intentionally go out and deliberately, after studying the proposition, go and vote against the eight-hour law, which was to affect themselves.

Commissioner WEINSTOCK. Why, that is entirely possible, Mr. Doyle. In the State of California we had a universal eight-hour law up before the people at

## 7010 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

the last election, with the wage earners in a great majority, and that law was completely snowed under, and yet theoretically it was to the interest of the voters to vote in favor of the eight-hour law.

Mr. DOYLE. But you must remember that was a universal eight-hour law, was it not?

Commissioner WEINSTOCK. Yes.

Mr. DOYLE. But you must remember the different interests. For instance, the farmer who owns a particular farm or something of that kind naturally would vote against that. But these reforms must come in such shape that they will not frighten the general mass of people. The eight-hour law has operated successfully elsewhere. And, then, there would be—

Commissioner WEINSTOCK (interrupting). While it is to be admitted that your point is correct that the farmer is not going to vote in favor of a universal eight-hour law, yet there are many more farm hands than there are farmers, and hence it would be in the interest of farm laborers to vote in favor of that eight-hour law. Yet it was defeated, seriously defeated.

Mr. DOYLE. How long must a man be in your State before he votes?

Commissioner WEINSTOCK. I could not answer that offhand.

Mr. DOYLE. If there is a year requirement, are all farm hands, or are half the farm hands, in the same place so they may vote?

Commissioner WEINSTOCK. I could not answer that, Mr. Doyle.

Mr. DOYLE. I think that would enter into it.

Commissioner WEINSTOCK. That might—probably would. The mine owners claim, through documents that have been presented to this commission, and which I have not at hand at this moment, that the average wage of a miner is \$4 a day in their mines. From your knowledge of the facts is that correct, Mr. Doyle?

Mr. DOYLE. In northern Colorado before the strike the average was from \$480 to about \$560 or \$580 per year.

Commissioner WEINSTOCK. And how about the southern part of the State?

Mr. DOYLE. The southern part of the State was a little better, owing to the fact of having a little better grade of coal; but how much better I have not the figures.

Commissioner WEINSTOCK. What was the average earnings of the average miner, so far as you know, per year?

Mr. DOYLE. About \$1.75 a day, I think, taking it the year through.

Commissioner WEINSTOCK. That is, the 300 working days of the year?

Mr. DOYLE. Yes.

Commissioner WEINSTOCK. That would be about \$513 a year?

Mr. DOYLE. I think it was \$1.71.

Commissioner WEINSTOCK. For the purpose of the record, I shall read into it an abstract from the same digest from which I have been quoting of the proof of the coal-mining operators, submitted, I take it, to the congressional investigating committee, as to alleged atrocities said to have been committed by the strikers, and you can, at your option, comment or not, as you choose.

Mr. DOYLE. Well, I might just as well state in the first place that there is no use of making any comment on them; and if you just want it as a matter of record, you may just as well hand it in, because we have got only another hour before adjournment, and I have got a lot of matters here I would like to introduce.

Commissioner WEINSTOCK. Well, I would rather read it over, for my own information. I have not had time to analyze it or go over it.

Mr. DOYLE. Well, go ahead.

Commissioner WEINSTOCK. This reads:

"September 23. Coal strike formally declared.

"September 24. Marshal Robert Lee, of Segundo, murdered by strikers. House of miner at Aguilar blown up by dynamite.

"September 25. Strikers held up Hastings hack at Ludlow.

"September 26. Strikers again hold up Hastings hack at Ludlow.

"September 29. William Smith, stable boss at Tabasco, beaten by strikers.

"September 29. Attack on Oakview mine and large number of shots fired into buildings.

"October 3. Powder house at Primrose mine blown up by dynamite.

"October 6. Strikers at Ludlow attack two Greeks, Erik Karis taken prisoner.

"October 7. Automobile of deputy sheriffs and others fired on by strikers on highway between Ludlow and Hastings.

"October 7. Automobile of John Farrish fired on by strikers.

"October 7. Dr. Curry, while traveling on highway near Ludlow, fired on by strikers.

"October 7. John Sherman, merchant, fired on by strikers while traveling on highway in automobile.

"October 8. Strikers fire upon Colorado & Southern train near Ludlow.

"October 9. Mack Powell killed by strikers in battle at Ludlow.

"October 13. Two Delagua women taken prisoners by strikers at Ludlow.

"October 14. Marshal R. E. Corey, of Segundo, beaten by strikers.

"October 17. Forbes mine fired on by strikers.

"October 25. Battle at Ludlow; Deputy Sheriff John Nimmo killed.

"October 26. Battle in Berwind Canyon; Deputy Sheriff Tom Whitney, killed.

"October 28. Deputy coroner and deputy district attorney fired on by strikers near Ludlow.

"October 28. Two children of Mrs. Frank Wootten, one 8 and the other 5, shot by strikers in Berwind.

"October 28. Angus Alexander killed near Hastings by strikers.

"October 29. State militia arrived in strike district.

"November 8. Armijo miner shot and killed by strikers at Aguilar.

"November 8. Luke Terry, W. H. Whitten, H. F. Bryan, and R. G. Adams ambushed and killed near La Veta.

"November 8. H. H. Smith, mine clerk at the Santa Fe mine, assaulted and beaten by strikers.

"April 10. Troops began leaving Trinidad district, and on the 18th of that month practically all of the troops left save a few guards stationed at Ludlow.

"April 20. Battle between strikers and militia at Ludlow.

"April 22. Empire mine burned; three mine guards killed by strikers in battle; strikers fire on Hastings and Delagua. Skirmish between militia and strikers in Black Hills. Southwestern mining camp captured by strikers.

"April 25. Truce was declared between the striking miners and the militia.

"April 25. While truce was still in force Chandler mining camp captured, buildings looted, and one man killed and one wounded.

"April 28. Lynn depot robbed of ammunition. Battle at Royal mine. Primrose and Rugby camps fired upon by strikers. Thirty people entombed in Empire mine.

"April 28. McNally mine captured; one man killed and a woman wounded.

"April 29. Strikers attack and capture Forbes mine, kill nine employees and burn buildings.

"April 29. Maj. Lester shot and killed near McNally mine in Huerfano County. (The officer mentioned was wearing a Red Cross badge at the time he was shot.)"

Commissioner WEINSTOCK. I take it you do not care to make any comments?

Mr. DOYLE. No.

Commissioner WEINSTOCK. Has Mr. Grant returned with any of the communications and documents from your office, Mr. Doyle?

Mr. DOYLE. I left him there with the stenographer and my assistant, going over them when I caught the car to come here at a quarter of 2.

Commissioner WEINSTOCK. You brought none of the records with you?

Mr. DOYLE. No; I left him, as I understood he was to attend to them.

Commissioner WEINSTOCK. Mr. Grant has not yet reported?

Chairman WALSH. He has not reported to me.

Mr. Dower, will you please ascertain whether or not Mr. Grant has returned from the office of the United Mine Workers?

Commissioner WEINSTOCK. What was the policy, Mr. Doyle, of the United Mine Workers, as to the arming of those members at the beginning of the present strike? Was violence foreseen by officers of that union, Mr. Doyle?

Mr. DOYLE. I do not desire to comment on that, giving the reasons given this morning, on advice of counsel.

Commissioner WEINSTOCK. Do you desire to comment on this question: "When did the officers of the United Mine Workers first decide to buy arms and ammunition for the men?"

Mr. DOYLE. That is the same as the first.

Commissioner WEINSTOCK. "When were the officers of the union first—when did the officers of the union first permit the strikers to carry arms?"

Mr. DOYLE. That is the same as the first.

Commissioner WEINSTOCK. That is all, Mr. Chairman.

Chairman WALSH. Commissioner Lennon has some questions he desires to ask.

Commissioner WEINSTOCK. We have the documents, Mr. Walsh.

Chairman WALSH. Did you want to examine—go through those documents first?

Commissioner WEINSTOCK. It will be all right for you to proceed. We can look over these.

Commissioner LENNON. What is the jurisdiction as to membership claimed by the United Mine Workers? What does it embrace?

Mr. DOYLE. You mean in the declared principles of the organization?

Commissioner LENNON. I mean what workmen does it embrace.

Mr. DOYLE. Everyone in and around the mine.

Commissioner LENNON. That would be miners and all the mechanics and helpers that have to do with the production of coal?

Mr. DOYLE. Yes, sir.

Commissioner LENNON. Has the United Mine Workers any voice, or anything to do with the employment of any of these people that are eligible to membership in their organization?

Mr. DOYLE. In their employment?

Commissioner LENNON. Have anything to do with their original employment?

Mr. DOYLE. Absolutely not.

Commissioner LENNON. They are employed by the operators?

Mr. DOYLE. Yes, sir.

Commissioner LENNON. Then who is it that passes upon the matter of eligibility of miners to membership in your organization, the miners or the operators?

Mr. DOYLE. The coal operators choose all our members.

Commissioner LENNON. And you have no alternative except to take such as are hired by the operators?

Mr. DOYLE. Absolutely not.

Commissioner LENNON. You have been associated in the mining business practically all your life?

Mr. DOYLE. Yes.

Commissioner LENNON. Now, this check-off system. I want to ask you one or two questions as to the check-off system. How old an institution is that in the mining industry—for instance, hospital fees, rent, groceries, buying in company stores, and other matters wherever the miners have given authority to do so, and where they have not given authority to do so what has been the custom in the mining industry?

Mr. DOYLE. The custom of the operators to use the check-off system for their own benefit has been longer in the mining business, so long before I was born that I don't know when it happened. They used it when I was a lad in Spring Valley. They had the check off for everything, rents and water and company store—

Commissioner LENNON. Did they check off for the hospital fee? Let us be specific.

Mr. DOYLE. Yes; in different mining camps, hospital fees, for store, company store, powder, oil, groceries—there was another one I had in mind.

Commissioner LENNON. Well, rents?

Mr. DOYLE. Yes; rent, fuel, and water in some places.

Commissioner LENNON. In the matter of check off for dues or assessments or initiation fees, do you require that in the contract without the consent of the individual whose dues are checked off and paid to you?

Mr. DOYLE. The individual signs an order agreeing to that, for the protection of the coal company, when he becomes employed by that particular mine.

Commissioner LENNON. Is the miner or the lack of the checkweighman for the miners in the coal industry, largely the cause of industrial unrest among the miners?

Mr. DOYLE. Yes, sir. Oh, yes. Where there is no union there is usually no checkweighman and the man must take whatever is given to him or else leave the camp.

Commissioner LENNON. In the districts where no union prevails, or in the mines where no union prevails, does the checkweighman prevail to any extent? Are there checkweighmen where there are no organizations of the miners?

Mr. DOYLE. No. No checkweighmen unless there is a union; first, because the man who would dare to take a job as checkweighman would be soon losing his job, by reason of the men who would contribute to his pay being weeded out. There would be no wages for him, and he could not, of course, get a job again

with the company, and the men who pay his wages, who pay for the checkweighman, would soon be weeded out.

Commissioner LENNON. Well, can you suggest any way that it would be possible to elect a checkweighman and maintain the checkweighman satisfactory to the miners if they are not organized?

Mr. DOYLE. I don't know of a method save the union of the miners.

Commissioner LENNON. There has been more or less charge made as to the breaking of contracts by the miners. Those contracts are made covering districts, are they not?

Mr. DOYLE. Districts or group districts.

Commissioner LENNON. Do you know of any contracts having been broken by the United Mine Workers covering a district where they have a district contract?

Mr. DOYLE. No, sir; I do not. I never heard of one.

Commissioner LENNON. The complaints, if there are any, rest upon some local union or part of local union, or something of that kind?

Mr. DOYLE. The individual or group of individuals. Oh, once in awhile a local makes a break, but very seldom, especially where in a field that is organized any length of time.

Commissioner LENNON. Do you happen to know anything about the action of the executive board of the Illinois district in two or three cases that happened in the Danville district where local miners broke their contracts?

Mr. DOYLE. No; I only know that there was a number of cases, but as to what the merits were or what action was taken I am not aware of it.

Commissioner LENNON. In these matters of violence that have been read to you, presented to you to-day, will you state whether or not the officers of the United Mine Workers in Colorado ever authorized any acts of violence?

Mr. DOYLE. They have never authorized any act of violence, and they have always counseled members to live within the law and to conduct themselves in a lawful, peaceful manner.

Commissioner LENNON. That is all I want to ask.

Chairman WALSH. Commissioner Ballard would like to ask some questions.

Commissioner BALLARD. I understood you to say just now, in answer to a question of Commissioner Lennon, that the coal operators choose all of your members?

Mr. DOYLE. They employ the men and then we take them in as members.

Commissioner BALLARD. Do the coal operators also choose your officers?

Mr. DOYLE. No; not unless they should have a secret spy system. In some particular locals they talked to them as to who should be boosted for these offices and manage to elect them in some way. I think that might happen.

Commissioner BALLARD. Did you ever hear of a secret spy system electing your officers?

Mr. DOYLE. I have seen instructions some time back, I don't know just where, telling them to instruct them to use their influence among the rank and file to see that certain people, a certain character of people, are elected on committees.

Commissioner BALLARD. You don't think the operators, through their secret spy system, elected the union officers that conducted the past strike, do you?

Mr. DOYLE. It don't look very much like they had; they did not in my election.

Commissioner BALLARD. Commissioner Weinstock read to you a resolution about a State-wide strike. I didn't understand you quite. Did you mean that that strike was authorized by the unions, to be put into effect only when certain officers should be instructed to do it?

Mr. DOYLE. In this State federation of labor; yes.

Commissioner BALLARD. They authorized the strike?

Mr. DOYLE. They favored such a strike, but left the setting of the date in the hands of the executive committee.

Commissioner BALLARD. A State-wide strike would be a strike of all the members of the industries of the State in which the coal industry was concerned, too?

Mr. DOYLE. I understand so; that the State-wide strike is State wide.

Commissioner BALLARD. Every industry in the State would go out on strike?

Mr. DOYLE. Yes.

Commissioner BALLARD. Do many of those industries have contracts?

Mr. DOYLE. Specific time contracts, I take it.

Commissioner BALLARD. And would a strike break those time contracts?

Mr. DOYLE. No doubt would, if a strike was had.

Commissioner BALLARD. Well authorized. You just said they favored a strike, and then they favored the breaking of time contracts, by that?



Mr. DOYLE. No. In each of the contracts or industries, according to whether craft organization or industrial organization makes its own contracts with its own employer or group of employers.

Commissioner BALLARD. Yes.

Mr. DOYLE. And the matter of a Colorado State Federation of Labor, any parent body which a labor organization will be affiliated with, if they declare in favor of a strike, can not force upon that organization a strike without action on the part of that organization. That is so with the State federation of labor.

Commissioner BALLARD. Then, am I to understand if the State federation chooses to order a general strike, a State-wide strike, that some organizations will obey and some will not, just as they choose to do?

Mr. DOYLE. Well, they could do so. That would all depend upon the circumstances surrounding them, and each organization would have to be consulted about that matter of the strike in the industry itself. That is my understanding.

Commissioner BALLARD. The question of whether they had a time contract might or might not influence their decision?

Mr. DOYLE. That, no doubt, would be considered.

Commissioner BALLARD. I do not want to interfere with Commissioner Weinstock, Mr. Chairman, if he has any more questions.

Commissioner WEINSTOCK. I have one. I understood you to say—perhaps this morning or perhaps on Saturday, I believe it was on Saturday—that a number of laws had been passed by the legislature in recent years, such laws as the eight-hour law, the checkweighman law, perhaps the cash pay law, and that the operators should make no distinction or prevent union men getting work, and a great many laws of that kind have been passed by the legislature in recent years. Were those laws desired by the operators or desired by the miners?

Mr. DOYLE. It is evident that they were not desired by the operators, or they would have been lived up to.

(Commissioner WEINSTOCK. They were not desired by the operators?)

Mr. DOYLE. I don't think so.

Commissioner WEINSTOCK. They were desired by the miners and presented to the legislature in such a way that the legislature passed them in the interest of the miners?

Mr. DOYLE. I would say that, when I say operators, I mean generally speaking, of course. There may be individual operators that would be in favor of laws; no doubt there are some who would be in favor of everything that was right if they didn't have certain strings on them.

Commissioner WEINSTOCK. I mean at the moment these laws favored by the miners themselves.

Mr. DOYLE. I don't think there is any miner but who would rather work 8 hours a day than 12, and who would not rather get paid twice a month than once, or any of the other things that have been proposed.

Commissioner WEINSTOCK. Then you do say, I understand it, that these laws were passed by the legislature and they were satisfactory and they were largely in the interest of the miner?

Mr. DOYLE. I don't know whether they were or not, but they were passed, and conditions would have been better, though, had they been properly lived up to, I am satisfied.

Commissioner WEINSTOCK. Then the legislature did pass those laws, and they were more or less satisfactory to the miners. Now, what I was trying to get at was this: That the miners had enough influence with the legislature, all the various legislatures in the past few years, or that such legislators were elected in the States, as would pass laws more or less at least favorable to the miners; that is what I want to get at.

Mr. DOYLE. I can see your point all right. I could see what you were driving at.

Commissioner WEINSTOCK. The point is the miners have influence enough in politics to get legislatures who will pass laws more or less favorable to the miners?

Mr. DOYLE. No; I don't think it was so much the influence of the miners. I think it is a good deal because they would think, oh, they will pass anyhow, and they will live on paper. They would say, if a man belonged to the organization in southern Colorado, if he had gone down there before the strike, if he would say I am a member of the union, I am going to be a member of the union, the C. F. & I. would say they have no objection to organization,

"We don't care whether you are a member or not, that is none of our business." But you would find water in your place the next morning or be moved to one that did have water in it, or you wouldn't get timber or your rails wouldn't be delivered, or something else, and you would finally pick up your bucket and go home. The individuals really have no protection. I think that the laws themselves were perhaps passed in a great many of them—we have the laws, but when a man comes and gets in the attitude "I am holier than thou," he will find a difference in them.

(Here a short consultation among the commissioners occurred.)

Commissioner WEINSTOCK. You made the statement, Mr. Doyle, a little while ago that things were made so unprofitable and uncomfortable for a union man that he very soon took his bucket and walked out?

Mr. DOYLE. Yes, sir.

Commissioner WEINSTOCK. But the testimony has been submitted to this commission that at the time of the strike there were 12 per cent of the men who were unionized.

Mr. DOYLE. Do you know why?

Commissioner WEINSTOCK. No; I don't.

Mr. DOYLE. Of course, they were unionized secretly and the company couldn't find them out.

Commissioner WEINSTOCK. How did the company find out there were 12 per cent?

Mr. DOYLE. That is their guess; they guessed at it. But they claim that their men didn't want the union, but they struck just the same.

Then they made the excuse after they struck that they struck because of intimidation. They said to the governor that if he would give them troops they would agree to go to work. They got the troops, but didn't go back to work. It is only a guess on their part that there was 12 per cent, because if they found 1 per cent or one-half per cent it wouldn't be but a short time until they would have gotten rid of them—unless it might be, I will say, the Rocky Mountain Fuel Co.—I think there were some men working in some of their mines in Fremont County who were not discharged. I want to say that to their credit.

Commissioner WEINSTOCK. Mr. Grant, our representative, reports that your secretary has turned over to him a large volume of correspondence, and that he has not had time to go through and pick out of it such correspondence as is likely to be of interest to us. But he has handed me here the report of receipts of disbursements, under date of October 1, 1914, financial report of the secretary-treasurer of district 15, U. M. W. of A., from August 26, 1913, to March 31, 1914, inclusive. Now, I take it, Mr. Doyle, that you have vouchers for every penny that was expended, have you not?

Mr. DOYLE. No doubt about that.

Commissioner WEINSTOCK. You pay out no money unless you get a receipt?

Mr. DOYLE. They are all audited, and I have receipts.

Commissioner WEINSTOCK. The records show just how that money was used?

Mr. DOYLE. Everything is accounted for.

Commissioner WEINSTOCK. But we haven't got those details here; we have only got those totals.

Mr. DOYLE. Exactly.

Commissioner WEINSTOCK. Now, according to this report, there were total receipts for the southern district from August 26, 1913, to March 31, 1914, inclusive, of \$835,285.65; and the total disbursements were \$831,785.65; balance on hand, \$3,500. Will you please give us how much of this disbursement was for arms and ammunition?

Mr. DOYLE. The record will speak for itself upon that. That would naturally come under the matter I am talking about, advice of counsel, and I don't want to say anything that would in any way be distorted.

Commissioner WEINSTOCK. In other words, you decline to answer that question?

Mr. DOYLE. Yes. I think other witnesses can testify to it who are not under indictment.

Commissioner WEINSTOCK. Are you the only official under indictment?

Mr. DOYLE. No.

Commissioner WEINSTOCK. Who are the others under indictment?

Mr. DOYLE. John P. White, William Green, Frank J. Hayes, Edgar Wallace, John R. Lawson, Thomas Scott, myself, William Diamond, and David Robb, and a number of others that I do not recall.

Commissioner WEINSTOCK. That includes really all the officials here, does it not?

Mr. DOYLE. No. President McLennan is not, that I know of.

Commissioner WEINSTOCK. Do you care to answer this question: Were any lump sums paid out to any employees or any officials of your union, with discretion on their part to spend without being obliged to render vouchers?

Mr. DOYLE. I do not care to make any statement in that connection on that matter. But if after this is through, and these other matters are over with, counsel advise me that I can answer, and if the commission will send me a list of questions, or send some person to examine me, I will gladly give whatever information I can.

Commissioner WEINSTOCK. At this time, then, you decline to answer the question as to whether lump sums were paid out to officials or to employees to be used as in their discretion was deemed best?

Mr. DOYLE. I want to testify to everything; I shall be very glad to do so. But that is my advice from counsel, and he is very good counsel, and I do not think I would be doing right by him if I was to break faith, and I would perhaps be putting more burdens on him; I don't want to do anything that could be distorted, and for that reason I don't think I should violate his confidence. I wish to say to you I want to give to the commission everything there is, and I will be glad at any later date if he will give me permission to do so.

Commissioner WEINSTOCK. That is all.

Mr. DOYLE. Do not allow those matters to get out publicly, please.

Commissioner BALLARD. I want to ask one or two questions following Commissioner Weinstock.

Do you believe in the right of private ownership of property?

Mr. DOYLE. Well, I believe in the right of private ownership of property in somewhat modified form. I am a single taxpayer, and you know what I believe so far as taxes are concerned. But I believe in the government ownership of public utilities; for instance, the street cars being owned by the city, and the water plant, electric light, and things such as that; when they become a public utility, they should be owned and operated by the public. I think these interstate matters ought to be owned by the Government—the railroads, for instance. I believe that telegraph lines and telephone lines, when interstate, should be owned by the Government. I know you will say that private enterprise could not compete with them if they wished to do so. I believe the successful operation on the part of the Government would be possible and there would be no desire on the part of private parties to operate it.

Commissioner BALLARD. Do you include Government ownership of mines and all of that?

Mr. DOYLE. Yes. Mines ought to be under Government ownership, but I am not prepared to say whether Federal or State; but I think Federal would be the better.

Commissioner BALLARD. Well, do you believe in the individual liberty where a man is allowed to go and work where he pleases and when he pleases and in the business that he pleases, you—those you speak of should be owned by the Government?

Mr. DOYLE. Yes.

Commissioner BALLARD. You believe in individual liberty?

Mr. DOYLE. Yes; I believe in a man exercising his individual liberties.

Commissioner BALLARD. Is a workman free when, in order to work in a mine, he must join the miners' union?

Mr. DOYLE. Just as free as he is when he must comply with the laws and rules and tax regulations, etc., when he becomes a citizen of the community.

Commissioner BALLARD. You consider that the same thing?

Mr. DOYLE. I think that is the same thing. I think this: I think that industrial life has only developed to a certain extent. Suppose you take the social life—speaking now of the new country like the United States—and that we have the same regulations that have proven to be successful to handle this problem of human life, living in industrial centers, etc., that the system under which that is handled, which will make a man live up to the laws, obey the laws whether he wants to or not, make him pay taxes and contribute whether he wishes or not, ought to be applied to industries, and that he ought to be made to live up to certain rules and regulations whether he wishes to or not. That he should be compelled to pay his pro rata to maintain those conditions. If I went to work in a mine of 500 men, and I had been working 10 hours a day, and had established pretty good conditions, no man ought to

be allowed, not out of common decency, to come in and work 12 hours, or work under conditions that would force the operators to place upon me those same conditions; or even to refuse to contribute his mite toward the maintenance of those conditions that might have been accomplished because they are for the general happiness of the entire population, the industrial elements that are working there. I believe in that.

Now, I think your question has more to do with the so-called freedom, the right to work for whom, when, what, and where he pleases, that I referred to this morning. I don't think that is a right at all. I don't think that exists. If it does exist, it would be like I said this morning—that they would all be choosing the snap jobs, the short hours, and would really then take from the employer any freedom that he might have.

Commissioner BALLARD. Then, if the State under this condition was to compel union conditions, the State would also fix hours and wages?

Mr. DOYLE. I think that would be covered by the times and circumstances. I am one who believes that as the world progresses certain changes take place, because all things grow up out of the defects, the evils that we never dreamed of before. For instance, our Constitution; I believe that certain changes in that ought to be made, just as amendments were added from time to time. What might be true now, or proper, in my own estimation, would not perhaps hold for all time, because no thing ought to be just because it has been. It ought to be changed in the progress of the world and for the benefit of the whole of humanity and not for the special privilege of any few or class.

Commissioner BALLARD. Would not the question of hours and wages law be of some benefit?

Mr. DOYLE. I should think the matter of the maximum hours to be worked, and—for we have no better system now—the maximum might be regulated by law, and the minimum of the wage, so that the employer would have to employ—pay a certain wage which would guarantee a decent living. For instance, say, a department store; take a girl—why should a girl, because her father might be killed or disabled, go into a department store and work for \$3 a week and not get enough food to eat, not get a good dinner, eat a doughnut and a cup of coffee or a glass of milk and a piece of pie. She is going to be a future mother of the country, and if she is she ought to be properly fed; and if the employer because of the competition will not provide for her I think the law ought to make some provision. I believe the law ought to protect those who can not protect themselves, and if there is no organization to do it, that the Government itself ought to do it, either by State or National legislation. It is true that the girl who goes out early in life to work has not the opportunity that she ought to have. The employer don't seem to cure, not because he is not human, but it is the system and conditions under which he lives and exists.

Commissioner BALLARD. What about the million immigrants coming into this country every year?

Mr. DOYLE. Well, all of those immigrants, I think, remembering that this country is free—it ought to be remembered that those people that come here should not be allowed to intermarry, the southern European races and the yellow races, and so forth. But I believe that when an immigrant comes over here there ought to be a law, whether written or whether it is not written—for instance, if an American has been working and has established a standard of American living, and American workmen have been used to that—that the immigrant coming over should be made to take an oath that he will not work for less wages and longer hours, or do anything to draw back the progress that has been made. In other words, that if they are going to be made citizens, that they shall recognize a standard in life and that they should have an opportunity to develop and make better men and women and not permit them to be brought into this country and to be used as tools to bring down the standard to the level of the country from which they come.

Commissioner BALLARD. Suppose there are a great many unemployed, should they be permitted to come in and take the places of the unemployed?

Mr. DOYLE. Well, I think this, that the number of employed—that there is that number because of the policy that has been pursued. I believe this, that the invention of labor-saving machinery is put to misuse in this country. Labor-saving machinery. The name should indicate that it was to lessen the burden on the back of the toiler. If that is true, that is what it should be applied to, and not to creating dividends and great profits and fortunes that we hear in this country about now, while other people starve; the device which the man has invented, if it is a labor-saving machine, should go into use for the benefit

to which the Creator endowed the men with talent to invent it, that should be a help to humanity; hours ought to be reduced and wages increased and life made easier by using these inventions, the labor-saving inventions. That these labor-saving devices ought to be used for the benefit of the men; and that instead of the worker being thrown out of commission he should receive his proper benefit out of that same thing that his genius invented. I think that the system of taxes ought to be made so that the world would be open. The world at the present time, I think, is closed. The Rockefeller interests own 300,000 acres, I understand, down in the southern part of this State and New Mexico. Suppose they only owned, instead of 300,000 acres, they owned the whole State, you and I would be their slaves, and we would have either to move to some other State or do what they wanted, because you and I can only live on and from the land.

Now, you shouldn't be permitted to own the land by title in such shape that you could deprive another man born later from exercising the right of having the use of the land as the Creator intended. In other words, that is the system whereby we fine people for improving the earth. If I build a house of two rooms, no paint on it, I pay a certain amount of taxes. If next year I paint my houses, my taxes increase. If the third year I build another room, I increase my taxes, although I have done something for the benefit of my family and humanity. I claim that the man who holds vast tracts of land, often empty, keeping it away from the use of those who were born here and who it was intended should use it, he is the man who ought to pay a fine in taxes on the value of that land, and realize that every penny of increase from that land should go into the public treasury for the purpose of operating the railroads, etc. Take, for instance, the street railway system; they have a franchise in the city for 99 years. How ridiculous it would be, suppose I built a large building, a 20-story building, and I leased the elevator shaft for a period of years, and they would charge a half a cent per floor for everybody who rode in that building. You would say, I won't pay it. I ain't going to pay to ride vertically. If we don't pay to ride vertically, if we object to paying to ride vertically, why should we pay to ride horizontally? Of course, we do pay directly or indirectly for riding vertically, in one sense, but if it is ridiculous to pay to ride horizontally, and not only horizontally but pay on our own streets, which belong to the public, why should that be done? Why should that not go into the public treasury? Take land worth \$50 years ago that is worth \$50,000 now. If the value of this land has increased that much, with which increase he had nothing in the world to do, that should have gone into the public treasury. Naturally, on the street car they charge the individual a cash price to ride on the street car, yet we don't pay a cash price for our ride on an elevator in a building directly. You may think I have narrow notions on these things, and that because I have not had an opportunity to get out in the world or anything of that kind, I may not know these things; but, nevertheless, there must be something of that kind established. I don't think any man ought to be robbed of his birthright. I believe that the burden ought to be made lighter, no matter what else we do.

Another thing, a man who has worked for years and been a good citizen, and who has done his duty as a soldier in industrial life should not be permitted to sell newspapers or such as that on the city streets. I think those things should be changed if we are at all humane and endeavoring to do what is right. We take up a soldier who has been wounded and he gets a pension, or if he is killed his widow gets a pension, and his business has been that of destruction in many instances, not always that of defense; but the workman, a citizen whose business it is to raise his children to be good citizens and to have a decent family and enjoy the comforts of the world, is not pensioned, but when he reaches old age he is discharged into the scrap heap, because he can not do as much work as a younger man. The Government does not say to him, "You have been a soldier in industrial life; I will see that you do not suffer." They only think of him four days before Christmas and forget him four days after Christmas and do not think of him again until the next Christmas.

In our organization we have no objection to any creed, color, or nationality. We do not say to the Pole, the Frenchman, or the Russian, "You get out of here"; but we say, "Come in; ours is a humanitarian movement, and we will help you out of that rut you have been traveling in."—It is not only an industrial movement claiming eight hours a day and fair prices, but it is an organization that is furthering a movement for the uplift of humanity; that is bringing out the best that is in the soul of every man that may toil. That is the purpose of it and we believe it can be done. We believe that those who fight us, fight us

because they are ignorant and do not understand. It is like those who crucified Christ; they would not have crucified Christ if they had believed he was Christ. If some one said to-day, "We will crucify Christ," wouldn't we think that he was ignorant? And it is the ignorance of employers to-day of our aims, let it be said, that has permitted them to get into the rut they are in at present. I think, for one, that unless the laboring movement is allowed to exercise its functions, its lawful and right functions—if it goes wrong and unlawful it ought to be chopped off; I do not say it is always right—but if it is it should be allowed to perform its functions and go through its life and exist. It is a reasoning institution; it is a gathering of human hearts beating for what is right, and if it is allowed to go on there is no doubt but that many of the conditions confronting us, which are creating so much of the unrest in the world to-day, will be removed. But if, on the other hand, such institutions as the Rockefeller interests can stand before the world claiming what they call their freedom to do business as they please and that labor organizations shall not exist, "We are going to wipe them out"—I do not say they can not be wiped out—that they can not wipe them out—for it is possible that they can, because they can put any man in the penitentiary or in his grave or any place they choose, and they may think it is best for the human race; and some of us may go to the penitentiary for telling our opinion of Rockefeller. But, as I started out to say, if the powers that be destroy organized labor, there is an indication that something else more radical will arise to take its place. Everyone wants to see this country prosper, and as a good citizen I do not want to see anything disastrous come to this country. I am called an anarchist once in a while, but I want to see wrongs righted in an orderly manner, and I repeat that if it is not done in my time it will be by those who follow me.

If we are not permitted to ease the pressure that is bearing down upon those who toil and do the world's work, I am afraid the day will come in this Nation that men will carry their heads under their arms by having them chopped off over night when they sleep. God forbid that it should come, and I don't want to see it come, for one. But why should men who have all the advantages of opportunity and who are raised until they are 25 years old in colleges—why should they not do something? I never was inside of a college until I was 15 years old and then, when I saw it, I thought the men came there for entertainment, until a friend who was with me told me they were going to school there and boarding there. I was working in a mine three years when I found that out. Why don't men who have all these advantages and the learning of the ages past do something to rectify these things? We need a Wendell Phillips or a George Washington to lead us out of the wilderness. Why don't some of those men put themselves in place of Wendell Phillips or George Washington—that have all those advantages? But they seem to forget and they notice nothing until the pressure underneath tries to rise, and then they wonder what is wrong, and then, when it rises, they say: "Something must be done to stop it"—not justice but, "Something must be done to stop it, to put it down," and the tighter they put it down, the faster they put it down, the higher it will go when it comes. They all recognize that. History, as little as I have read, shows that, in every age, when men have failed to recognize the signs of the times, when men have failed to recognize the crying out of those in silence, the general desires and prayers of the working people to better their conditions—that, unless it was heeded destruction took place and the nation fell. And when we called off our strikers in executive sessions, the statesmen of the Nation knew we were right and considered that we ought to have a voice in the labor conditions under which we worked—they knew we were right before—but, for some mysterious reason, none of them has said, "We know you are right and we will fight your battles." Let us do justice first. As I said in that convention, and say here—if these statesmen in the Nation will not help us to redress the wrongs imposed on labor, if the Chief Executive of the Nation can not see that there is something terribly wrong in the conditions as they exist, can not see that there is something boiling up which may break out at any time and ruin this country—if they can not see it, then it is up to organized labor; and I am convinced enough to say that it is organized labor that is the one thing that will prevent revolution in this country, and the only way to prevent it is to let organized labor proceed along in the way it has; if it errs, let us say that it is human, because there will be errors in every human institution; but let us overlook those errors and profit by them so as not to make the error the second time, and I think if that method is followed there will be less trouble. Let us each perform more of our duty to

society. We get up in the morning and we rush to our work, and go to a show in the evening, if we have the money, but what thought do we give to our duty in regard to the individual units of that society? Instead of that we think whether our rent is going to be paid next month; we think whether we can make so much money next month—

Commissioner O'CONNELL (interrupting). I have a list of questions I want to ask you.

Mr. DOYLE. He asked me a lot of questions and I want to answer, and there are some other matters I want to submit.

Chairman WALSH. Commissioner O'Connell wants to ask you some specific questions and you can submit the other matter you have later.

Commissioner O'CONNELL. I want to straighten up the records some first.

Mr. DOYLE. All right.

Commissioner O'CONNELL. In a part of your testimony this morning, while Mr. Weinstock was asking you regarding the laws of your organization—

Mr. DOYLE (interrupting). Yes, sir.

Commissioner O'CONNELL. And as to the punishment of members for the violation of these laws and rules—

Mr. DOYLE. Yes, sir.

Commissioner O'CONNELL. I have not the testimony before me, but I think you said there was a fundamental law or practice in the organization which might cover the question of violence; in other words, that violence might be considered a violation of a man's obligation. I take it that you mean by that that a man obligates himself to be a law-abiding member of the organization, and that the laws of the organization require its members to be law-abiding, but I do not find anything in the preamble or articles of the constitution of your district No. 15, which is a portion of the international, of the United Mine Workers of America, nor in the preamble of the national organization; in other words, I do not find anything in either one of these constitutions that would excuse a violation of the law, but if a member went out on the streets and committed the ordinary crime of getting drunk or getting into a fight and locked up and being punished—doing any of the things that human beings do—that you would be no more required, as an organization, to fine, suspend, or expel members of your organization for doing these things on the public highway for which they are responsible to the courts of the land—that you are not concerned in these as an organization, nor does your constitution make any more provision for that than in the case of any other association in regard to its members; for instance, the bar association does not provide in its constitution that, if a member of that association commits some crime or violation of the law, the association shall punish him for it?

Mr. DOYLE. No, sir.

Commissioner O'CONNELL. I want to read to you the objects of the United Mine Workers of America, and I take it these objects are the ones to which its members pledge themselves. I find in article 2 of the Constitution of the National United Mine Workers of America, in effect April 1, 1914, the following objects stated:

"First. To unite in one organization, regardless of creed, color, or nationality, all workmen eligible for membership, employed in and around coal mines, coal washers, and coke ovens on the American Continent.

"Second. To increase the wages and improve the conditions of employment of our members by legislation, conciliation, joint agreement, or strikes.

"Third. To demand that not more than 8 hours from bank to bank in each 24 hours shall be worked by members of our organization.

"Fourth. To strive for a minimum-wage scale for all members of our craft.

"Fifth. To provide for the education of our children by lawfully prohibiting their employment until they have at least reached 16 years of age.

"Sixth. To secure equitable statutory old-age pension and workmen's compensation laws.

"Seventh. To enforce existing just laws and to secure the repeal of those which are unjust.

"Eighth. To secure by legislative enactment laws protecting the limbs, lives, and health of our members; establish our right to organize; prohibit the use of deception to secure strike breakers; prevent the employment of privately armed guards during labor disputes; and such other legislation as will be beneficial to the members of our craft."

That is the entire purpose of the mine workers' organization as stated in their preamble?

Mr. DOYLE. Yes, sir.

Commissioner O'CONNELL. There is nothing in that that would indicate that because you have not punished some member of the organization for crimes committed during the recent strikes or strikes, in the northern coal fields, that your organization does not want to carry out the provisions of its constitution?

Mr. DOYLE. No, sir.

Commissioner O'CONNELL. A further correction of the record. [At this point a conference took place between the members of the commission out of the hearing of the reporter.] [To the reporter:] That is not for the record.

In further correction of the record, Commissioner Weinstock, when examining you, quoted as an authority—invited at least, your opinion as to a legal—a gentlemen of legal standing in the country—Mr. Darrow—as the legal representative of organized labor. Mr. Darrow, so far as I know, and I ought to know something, has never been, and is not, the legal representative of organized labor, has never represented, has never been compensated by and never employed in any capacity by the American Federation of Labor, which, I think, you will agree is representative of labor organizations in North America?

Mr. DOYLE. Yes, sir; I never heard of him being employed by the American Federation of Labor.

Commissioner O'CONNELL. A question as to the closed shop being unlawful; your interpretation of that interrogation by Commissioner Weinstock indicates that the mere making of an agreement requiring that all employees of a certain plant or factory or workshop or mine should be members of a union would be unlawful; you have no such thought in mind, have you?

Mr. DOYLE. Oh, no.

Commissioner O'CONNELL. The record, as it now stands, would tend to show that the American labor movement does not stand for anything compulsory. There are a number of things which I am sure you will agree that labor does stand for as requiring compulsion?

Mr. DOYLE. Yes; I enumerated one this morning.

Commissioner O'CONNELL. Let me cite some to you: At the recent convention of the American Federation of Labor held in Philadelphia, resolutions were adopted for compulsory minimum wage for women and children; for compulsory education, compulsory sanitary regulations, compulsory protection of machinery in the matter of safety of life and limb, the compulsory use of proper fire escapes, etc., and a number of other things that do not come to my memory. You agreed with Commissioner Weinstock this morning that organized labor did not stand for compulsion in some things. I think you said that without giving thought to the things I have enumerated.

Mr. DOYLE. He enumerated certain things and I agreed with him they did not stand for them, and I was not clear entirely on that, and I said they were in favor of compulsory upholding of the law.

Commissioner O'CONNELL. Does your position as secretary of district No. 15, in order that we may get this in the record straight—your position as secretary is only subordinate to the international organization, and you can do nothing so far as ordering a strike, or taking any action that will in any way involve the members in a matter that involves the constitution, without consultation with the international members; is that not true?

Mr. DOYLE. We are subordinate to them and can do nothing that is contrary to the constitution or rulings of the international organization, and can not do anything that would involve the organization as such in a strike, without it has been passed upon by the international body.

Commissioner O'CONNELL. In the office you hold of secretary-treasurer, are you a member of the executive board?

Mr. DOYLE. Of the district executive board by reason of that office.

Commissioner O'CONNELL. Have you a vote or are you just a member?

Mr. DOYLE. I have a vote and it has never been questioned or tested, and the constitution says, if I remember correctly, that an officer, by reason of his position, shall be a member of the executive board.

Commissioner O'CONNELL. You are not the executive of your district?

Mr. DOYLE. No.

Commissioner O'CONNELL. The president is the executive of your district, is he not?

Mr. DOYLE. He is, as to the district, but the international board is over him.

Commissioner O'CONNELL. Yes; but I wanted to get at the power of your local board. Your local board is made up of seven or eight members?

Mr. DOYLE. According to the number of districts in existence at the time.



## 7022 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

Commissioner O'CONNELL. How many are there at the present time?

Mr. DOYLE. About eight.

Commissioner O'CONNELL. And does that include the president and secretary, or is it exclusive of them?

Mr. DOYLE. No; I think we have eight subdistricts, and that would be the president, vice president, and the secretary-treasurer.

Commissioner O'CONNELL. As secretary-treasurer you do not presume to issue orders of an executive character to apply to your district, do you?

Mr. DOYLE. No, sir.

Commissioner O'CONNELL. That is the function or duty of your presidents?

Mr. DOYLE. Unless it is in connection with finances or exoneration of membership.

Commissioner O'CONNELL. I am not talking about that, but matters of authority. Your district president, therefore, is the executive officer of your district?

Mr. DOYLE. Yes, sir.

Commissioner O'CONNELL. And any orders issued by your district to your membership would have to be issued by your district president to be official?

Mr. DOYLE. Yes, sir.

Commissioner O'CONNELL. Did your district president enter into an arrangement with the State militia, or with the mine operators, as to the disarming of the miners at the time that it is said an arrangement was made to disarm them?

Mr. DOYLE. I have no knowledge of it.

Commissioner O'CONNELL. Did he issue any general order in compliance with any arrangement he had made, as the executive officer of your district, to require the miners to disarm?

Mr. DOYLE. Not to my knowledge.

Commissioner O'CONNELL. I ask this because it is the general impression—I am sure it is the impression of Commissioner Weinstock—that your executive officers agreed that the miners should turn in their arms to the United States soldiers when they arrived.

Mr. DOYLE. Yes, sir.

Commissioner O'CONNELL. I learned from you no such agreement was made, no such instructions were sent out by your executive officer, therefore the question—I understand you were advised in some way.

Mr. DOYLE. Yes, sir.

Commissioner O'CONNELL. And there was no violation on your part, no bad faith on the part of your officers because they made no agreement as to the disarmament of the miners?

Mr. DOYLE. That is right.

Commissioner O'CONNELL. Did you know this man Tikas?

Mr. DOYLE. Yes, sir.

Commissioner O'CONNELL. It is the general rumor that Tikas was a man who had never worked in the mines, but that he was a saloon keeper in the city of Denver. Will you explain briefly whether Tikas was a miner, whether he worked in the mines or ran a saloon in Denver when you employed him?

Mr. DOYLE. My first connection with him was when he joined the organization. While he had been working as a strike breaker in the northern fields he came out on strike. Seeing he was an active fellow, we made him one of our interpreters through which to speak to the Greek population, and any translation we needed in Greek.

Commissioner O'CONNELL. And he was working in the mines?

Mr. DOYLE. Yes; in Weld County.

Commissioner O'CONNELL. As a strike breaker?

Mr. DOYLE. Yes, sir; as a strike breaker at the time he joined the union.

Commissioner O'CONNELL. He joined the union?

Mr. DOYLE. Yes.

Commissioner O'CONNELL. And you employed him as an interpreter among the Greeks?

Mr. DOYLE. Yes.

Commissioner O'CONNELL. Do you know whether he ever ran a saloon in Denver?

Mr. DOYLE. I don't know.

Commissioner O'CONNELL. Or any other place?

Mr. DOYLE. I don't know.

Commissioner O'CONNELL. How old a man was Tikas when he died?

Mr. DOYLE. I judge about 28 or 29; that is a rough guess.

Commissioner O'CONNELL. In this stockade in the north what were Mr. Tikas's habits? Was he generally a sober man, a peaceful man, a man of companionable character, or was he disagreeable?

Mr. DOYLE. Mr. Tikas was anything but a trouble maker. He was what I would consider a perfect gentleman. I understand that he had some college education in his own country, and I know he was very smart; I know that I never found him wanting in anything, and he was always upright and manly and stood for what was right, lawful, and honorable. Some party wrote a poem about him one time and I was so touched with the poem as being a description of him that, while not knowing the party, I wrote him and said that he did not make any mistake when he sang the praises of that dead martyr.

Commissioner O'CONNELL. Regarding this stockade in the north—are these miners left inside of this fence, this town inside, permitted to go and come as they please through the gates of this place into the world?

Mr. DOYLE. They are now, I think, but not in times past. We have a young man—a boy 19 years old—said he climbed over this fence in the dead of night, and that he had to face a gun and was told to go back to work.

Commissioner O'CONNELL. Did they build regular company houses in the little town inside this stockade?

Mr. DOYLE. Yes, sir.

Commissioner O'CONNELL. Did they have a schoolhouse?

Mr. DOYLE. I don't think there was any school inside.

Commissioner O'CONNELL. Was there any church?

Mr. DOYLE. No; just a pool room, a store, and a casino.

Commissioner O'CONNELL. Any saloons?

Mr. DOYLE. I don't think any saloon licensed, but I think it is not very dry.

Commissioner O'CONNELL. How many people inside that stockade, approximately?

Mr. DOYLE. I don't know the correct number. In the Simpson mine there are 200 men with their families. There are two fences there that the county road divides, and there are about two or three hundred.

Commissioner O'CONNELL. Two or three hundred men?

Mr. DOYLE. Yes.

Commissioner O'CONNELL. Are the miners usually married men?

Mr. DOYLE. Well, I presume they are about half and half.

Commissioner O'CONNELL. I suppose those that are married have the average family of four or five?

Mr. DOYLE. I think so. I am not very well acquainted with them.

Commissioner O'CONNELL. The State federation of labor is not purely a mining organization?

Mr. DOYLE. No, sir.

Commissioner O'CONNELL. It is an organization made up of delegates from all of the various organizations of the State?

Mr. DOYLE. Yes, sir; sort of a mother body for all labor bodies in the State.

Commissioner O'CONNELL. The State federation, however, has no power, even for the adoption of a resolution that tended toward a general strike of the order?

Mr. DOYLE. No, sir.

Commissioner O'CONNELL. The ordering of a strike involving members of other organizations would require the same action upon the part of these other organizations that would be required by the miners' organization if they wished to order a strike; that is, that they would have to conform to the laws of their own international organization first?

Mr. DOYLE. Yes, sir.

Commissioner O'CONNELL. Therefore, no State federation could order a strike, as that function is exerted solely by the international organization of each trade or calling, and no strike could be ordered in Colorado unless all of the international organizations scattered all over the United States first gave their consent to it?

Mr. DOYLE. That is my understanding of it.

Commissioner O'CONNELL. And no strike could be ordered even by the executive board of the State federation?

Mr. DOYLE. No, sir; not unless it went through the routine you mention.

Commissioner O'CONNELL. And that would require a time far beyond what this strike or any other strike would last?

Mr. DOYLE. Yes, sir.

Commissioner O'CONNELL. In the testimony given in the early part of our hearing here, Mr. Weitzel, the general manager of the Colorado Fuel & Iron Co.'s mines, gave some testimony to which I want to call your attention, and ask the position of the miners organization upon the same. He spoke about the use of permissible powder and black powder. Permissible powder is considered safety powder of some kind?

Mr. DOYLE. Yes, sir.

Commissioner O'CONNELL. Mr. Weitzel testified to this effect:

"I might say, too, I believe that in the southern counties that about 90 per cent of the nonunion mines mine coal with permissible powder, while very few, probably not over 10 per cent in the union mines, if there are any—I don't know any union mine in the southern county that is using anything but the old black powder. It is forbidden by law, but they are still continuing to use it."

Can you give any light upon that question? First, are the mines operating under your contracts, known as union mines, all using this black powder as against the permissible powder commonly understood as safety powder?

Mr. DOYLE. The matter of powder has no connection with the organization; that is, it would be inferred in that statement that because they were union mines that was the reason they were using black powder. That is not true. There is nothing in the contract forbidding the use of black powder. As I understand it, a large portion of the mines of the State, perhaps a majority, are using the permissible powder, and there are mines in the State that have been given permission by the State mining department, subject to their complying to other conditions named by the State mine inspector, to use black powder. The mines in which the coal dust would not be as liable to be set afire as it would be in other mines.

Commissioner O'CONNELL. Has the United Mine Workers as an organization—does your district as an organization or your local union attached to your district—has it by any action or the passage of a resolution or the adoption of any resolution—agreed not to use permissible powder?

Mr. DOYLE. Oh, no; our organization is not opposed to the use of permissible powder. We are opposed to nothing that tends to the safety of human life and limb. We are in favor of all that, and permissible powder tends to reduce the death rate and injury to the miners, therefore, we are in favor of it; but we do not believe, with the little wage received, that we should be made to stand the expense of the change. With other conditions equal, we are in favor of the change, but we believe that it should be at the same relative cost as if we were using black powder.

Commissioner O'CONNELL. In other words, the industry should stand the increased cost by reason of the change in powders, and not the burden be placed on the miner?

Mr. DOYLE. Yes, sir.

Commissioner O'CONNELL. What is the difference in the cost?

Mr. DOYLE. I don't know exactly. That would depend a great deal on the nature of the coal. If the coal was more brittle it would be more difficult than if it was chalky.

Commissioner O'CONNELL. Do you know anything about the conditions in the other States as to the use of permissible powder?

Mr. DOYLE. The only thing I know is that during the agitation for the use of it in the Eastern States I glanced over the records and found the position of the miners was against being compelled to stand the burden of the change; that they wanted permissible powder, but that they did not think they ought to be made to pay the price of it—but that it should be at the same relative cost to the miners.

Commissioner O'CONNELL. My recollection is that he testified that they used permissible powder—90 per cent in this case I have just read to you, as against 10—and the indication or the implication is that that was the cause of the union.

Mr. DOYLE. That is correct. The only thing that would govern it is the matter I referred to, the permission granted by the State mine inspector's department, and subject to other conditions that he might impose—I presume such as sprinkling, etc. It may happen so that these mines happened to have this; I don't know.

Chairman WALSH. If there was something else you desire to add, I wish you would do it as concisely as possible, as we are going to finish this evening with you.

Mr. DOYLE. I have a few papers here that I would like to hand in to the stenographer and have them placed in the records.

Chairman WALSH. Just offer them and hand them to the stenographer.

Mr. DOYLE. Here is an extract from the proceedings of the convention of miners held in Trinidad, September, 1913, showing the grievances enumerated by the miners who attended that convention:

**WAGE SCALE ADOPTED BY SPECIAL CONVENTION, COLORADO MINE WORKERS, AT TRINIDAD, COLO., SEPTEMBER 16, 1913.**

We, the representatives of the mine workers of district 15, after repeated efforts to secure a conference with the operators for the purpose of establishing joint relations and a fair wage agreement, and having been denied such a conference—the operators ignoring our invitation entirely—and believing as we do that we have grievances of great moment that demand immediate adjudication, we submit the following as a basis of settlement:

First. We demand recognition of the union. (State law on this subject, but not complied with.)

Second. We demand a 10 per cent advance in wages on the tonnage rates and a day-wage scale which is practically in accord with the Wyoming day-wage scale. (The present Colorado scale is the lowest paid in any of the Rocky Mountain States. Wage advance is justified.)

Third. We demand an eight-hour workday for all classes of labor in or around the coal mines and at coke ovens. (State law on this subject, but not complied with.)

Fourth. We demand pay for all narrow work and dead work, which includes brushing, timbering, removing falls, handling impurities, etc. (Scale for this work in all other States.)

Fifth. We demand checkweighman at all mines to be elected by the miners without any interference by company officials in said election. (State law on this subject but not complied with.)

Sixth. We demand the right to trade in any store we please and the right to choose our own boarding place and our own doctor. (State law on this subject but not complied with.)

Seventh. We demand the enforcement of the Colorado mining laws, and the abolition of the notorious and criminal guard system which has prevailed in the mining camps of Colorado for many years. (State laws on these subjects but not complied with.)

If you believe in the enforcement of law and a living wage, you will support the miners in this strike.

**MINUTES OF SPECIAL CONVENTION OF DISTRICT 15, UNITED MINE WORKERS OF AMERICA, TRINIDAD, COLO., SEPTEMBER 15-16, 1913.**

The CHAIRMAN. We will now have reports of the delegates from the various mines.

Delegate BEN SELLERS. The statements I wish to make are that the men have to push their own cars—they do not call them men, they call them burrows—five or six hundred feet; and if one man can not push the car he gets a partner, and if the two can't push it they are told to get out. Furthermore, when they need spikes they have to go around and pull them out of old ties. If they get a piece of track broken the company will not send a man to fix it, but the miner must fix it himself. They carry their own timber. We are charged \$1 a month for hospital and 50 cents a month for a locker in the washhouse. Coal diggers get 55 cents a ton for their coal, but it has to be all coal before they get 55 cents a ton for it. A ton is 30 hundredweight. If there is any rock in the coal they dock you for it, and if they get a chance they charge you for dumping it. We can not get timber at the Morley mine; have to go outside after it and carry it 50, 75, and 100 feet to the mouth of the mine.

LAWRENCE LOSBY (Sopris). Conditions are outrageous against the miners. The boss has the privilege of changing a man every day from place to place, and he gives the good places to the fellows who put up the most money to buy him drinks. He came to me one day and said, "You are not going to work in this place to-day," so he pushed me out and put another fellow in my place. I know of another case where a man was pushed out of his place and a friend of the boss put in. He asked the boss one day why he never got a better place,

and the boss told him that he would get a better place the next time, but he worked there six years and never got a better place.

ALBERT GORDEN (Graycreek). There is too much rock at the Graycreek mine. When I was working there I could not make my day's wages in the place I was in. Conditions are very bad. No pay received for turning a room or for crosscuts, and there is about 18 inches of rock for which we are not paid for handling.

ROBERT HARLEY. The conditions at the mine where I work are pretty bad. The miner turns his room, for which he receives no pay. He has to hunt his own ties, spikes, rails, and lay track. The miner is compelled to clean up all falls, and when cleaning them up sometimes about two carloads of rock falls, and the boss makes him clean that up also for no pay. I tell you conditions are outrageous. Work 9 and 10 hours a day. I know of four men who asked for a checkweighman and were fired.

Delegate CHARLES COSTO. I am charged \$5 a month for a shack; \$2 a month for coal whether I burn coal or not. Men are fired as soon as it becomes known that they are members of the union, or have an inclination to be. Not paid for room turning or crosscuts. Have to pay for drinking water. House is in bad condition, and when it rains we have to get under the bed to keep from getting wet.

Delegate OBEZA (Ramey mine). If a man goes to work at 3 o'clock in the morning he can make \$3 a day, by reason of cleaning up rock before starting time. If a man goes to work at 7 o'clock he makes about \$1.50, because all his time is taken up cleaning rock on the roads. Men who get there at 3 o'clock in the morning help themselves to the rails and spikes belonging to some other fellow who does come until 7 o'clock. Have very poor houses; would just as soon live in a stable. Pay \$8 a month rent; \$1 a month for water; \$1 for lights; and \$1.25 for doctor and hospital. Paid 40 cents a ton for machine work; \$1 for brushing, but you have to load 10 tons before you get \$1 for brushing. Pay \$1 a month for water that is not fit to drink.

Delegate LAMONT (Cokedale). The company furnished carbide. It costs 3 cents per can and they charge us 5 cents per can for it. The company makes \$5 or more profit a day on carbide. There is 4 feet of rock between this coal, and we are paid \$4 a month for handling it. Cars should weigh 5,500 pounds, but we can get only 3,800 and sometimes 4,000 pounds. Get 55 cents a ton for coal and every third car is docked. Pick work is docked every third car; machine work not so much. They watch the men very closely, and discharge all those who give signs of being members of the organization. I didn't work September 1—Labor Day—the first time in 24 years. A guard came in from the coal field and said to me: "Where the h— have you been to-day? Where are you going now? Where the h— is your home? What are you doing in Trinidad to-day?" I told him my home was in Cokedale. I had been working there about three months. I said I have been working all day and just came in to purchase supplies. I said you must have the wrong man. He followed me into the car and sat down beside me and began talking to some men. He was trying to corner me you know, so I moved into the next car with the ladies for protection. He waited for me to get off the car and watched me, and ever since he has been after me. The pit boss told me he would have to fire me because I was a strong union man. I told him I thought he was a mighty small potato if he fired a man for belonging to an organization, as everybody is a union man. They keep the men very close in the camps. I want to state that the miners who have been striking for almost four years are better clothed and better fed than those who have been working every day in the southern field. The little children go barefooted and are half clad.

JOSEPH MOSANT (Tobasko). Cars weigh 60 hundredweight. Have to go around and look for rails, spikes, timber, etc., before you can start to work. If you ask the boss why you don't get rails, etc., he will tell you to go around and look for them—go to Pueblo for rails, and go to the hills and get trees for timber. Sometimes you are in danger of being killed on account of a bad roof. I worked at the same mine for seven years. The miner has to go to the stable and get a mule and pull his own coal. Sometimes he is kicked and badly injured—sometimes killed—but the company doesn't care; it only cares for the mule, because the mule costs money; men cost nothing. One day a man was on a car and the mule ran away and smashed him to h—. He was taken to my home, and a few weeks later he died as a result of the accident. The mine inspector came to my house and made the statement that they were glad the

mule wasn't killed. Conditions are very bad. We do not get correct weight on cars. Only those who are favorites of the checkweighman get a fair weight. Can not make anything, because we have to go around looking for rails, timber, etc. Lots of gas in the mines every morning, and we can not stand it. Have to come right out again. A great deal of rock falls, and that has to be cleaned up, for which we receive no pay. Manway not fit for a man—not even fit for a horse.

One day a man was kicked by a mule, and they called the mule doctor. The mule doctor took some waste from the machines and applied it to the wounds and oil came out of his mouth. The doctor killed him by applying that dirty waste from the machines to the wounds. He was left lying in the mines three or four hours and had almost bled to death before anyone took him out. He died a few hours after he was taken out. When asked for damages the company said: "Well, I guess not. He had no business to wait until the mule kicked him."

Delegate HADLAN (Valdez). Generally have bad top, and when the top is bad we do the timbering for nothing. No pay for turning a room; no pay for crosscuts. Have to brush bottom for nothing. From 4 to 16 inches of rock between the coal. This rock is all handled for nothing in rooms and entries. We pay \$1 a month for water and \$2 a month for every room in the house. On idle days miners load empty cars, and load a car in turn for the driver as wages as the company does not pay him on idle days. They always told me in England that this was a free country, but I have found out that it is not a free country. When they tell a man that he has to keep still I think there is something terribly wrong. I worked at Valdez seven or eight weeks, and I want to say that conditions are unbearable.

Delegate DURAN (Bowen mine). Started to work at the Bowen mine last month. Working in a stump. Load one car of coal and shovel two cars of rock. Work long hours; start at 6.30 in the morning; have to leave home at 4 o'clock. Receive no pay for crossbars. Have docking system. I also worked for the Victor-American Fuel Co. Have six guards stationed around the mine. Never had any conversation with them. Never asked for a checkweighman because we would be fired if we did. Weight is very bad. Dock half of a car when a little impurity is found in the coal.

P. SHAW (Piedmont). Pay \$1 a month for lamp; 25 cents for gauze. We have a doctor in Piedmont, and we have to pay him \$1 a month. He makes one trip a day. Leaves Trinidad at 7 o'clock in the morning, and if he is needed later in the day, and is sent for, he refuses to go, and tells them that he does not intend to spend his time running out there, and that he makes his trip at 7 o'clock in the morning and doesn't intend to make any more. We pay more for rent than any other camp—\$2.50 for one room. Work 10 hours a day.

FRANK BALLECK (Berwind). Start to work at 6.30 in the morning. Drivers get in 20 minutes to 7 and come out at 5 o'clock. At night about two or three minutes before quitting time they make you make another trip, which will take you about 15 or 20 minutes. Lots of men after they get through working eight hours go back at night and load coal on the roads. Men lay track for eight hours and fire shots at night. Supposed to fire shots after all the men are out of the mine and before the manway trip starts out. Many times you have a trip of coal, and the pit boss orders the coal to be hauled first. Work 10 hours and get paid for eight. I went up on the tippie one day and the boss had a warrant out for a man who dumped all the checks into one box. Some cars weigh 20 hundredweight, but they were all dumped into one box without marking down the different weights. Pay \$1 a month for doctor and hospital and 50 cents a month for blacksmith.

JOSEPH SALVINE (Starkville). Have been working at Starkville for quite a while. The boss found out I was a union man, and every time he gets a bad place he puts me in it, and as soon as I get it cleaned up he puts me in another bad place. Work 10 and 12 hours a day. Have to carry timber, rails, and ties to all rooms. Pay 35 cents a month to company checkweighman. The boss puts him up there and we pay him. Do not get paid for room turning. Have docking system.

GEORGE BLOCOZ. I would like to make a few statements to you in behalf of my people. Now, this delegate doesn't understand much English. He says that the company store charges him \$1.50 for hospital and doctor fee. He is taxed 25 cents a month for school; even though he has no children to send to school he must pay just the same. He worked at the same mine about three years. The cars used to weigh 5,000 to 5,500 pounds, and at present

they weigh from 2,800 to 3,500 pounds. I have the same statement from a brother from the Bowen mine. He states that four years ago the cars weighed 5,000 to 5,500 pounds and they now weigh 2,800 to 3,000 pounds. Men have to carry timber, rails, and ties about 300 or 400 yards. The men are all unable to move. The Greeks can not stand conditions there any longer, but they are all going to stay and help fight the battle.

DELEGATE FROM OAKVILLE. Twenty-one men were fired from the mine at Oakville for refusing to work on Labor Day, and about 10 o'clock that night several detectives and deputy sheriffs marched us out of the camp and followed us for about 7 miles at the point of rifles. They followed us everywhere and watched every movement. We are compelled to trade at the company store.

Delegate KELLEY (Forbes). I worked at Forbes five months. Conditions there are rather bad. Cars are 6 feet long, 3 feet 4 inches wide and 2 feet 4 inches high. Paid 65 cents run of mine; 30 cents machine work. Machine runners work day and night. Paid \$2.50 for entry work. Have to lay your own track, and must carry it from one entry to another and get no pay for it. Not paid for room turning; not paid for cleaning falls. If you ask that something be done, they tell you that those are the conditions, and that they do not intend to do anything to remedy them.

FRANK TALERBEG. Conditions are pretty bad. Receive no pay for room turning; no pay for rock; no pay for dead work at all. Crosscuts we are paid \$1 a yard; timbering back entries 25 cents. We are charged 25 cents for lamp wicks. If you break a battery, you are charged \$2.50. The cars hold from 4,000 to 4,200 pounds. They give us from 2,600 to 2,900.

R. WILKINSON (Primer). Work in 7-foot vein; 2 veins rock, 3 veins coal. About 20 inches coal in the bottom and 8 inches of rock and then 20 inches of coal. Paid 60 cents a ton for coal; nothing for rock. Paid 50 cents a ton for coal, and have to shoot it yourself. Paid \$1 for brushing all the way from 16 inches to about 3 feet.

WILLIAM COLLIER (Rugby). Paid 60 cents a ton for pick work; 50 cents a foot for crosscuts; 35 cents a yard for bottom brushing. Lay your own track for nothing; make your own ties out of props. Entries are 8 to 10 feet wide. Pay \$28 a month for board to company boarding house. Two sleep in a room, and the room is about 12 by 10.

J. McDONALD (Kenneth mine). Receive no pay for turning a room; no pay for crosscuts. Men use on an average of 50 cents to \$1 worth of powder to shoot down one day's coal. I don't want any more of it at 65 cents a car. You are docked 15 cents a car if any bone is found in the coal, and if the car is not filled up to the top you are also docked 15 cents. Receive no pay for dead work, and if you foot a roll you have to cut through it. They charge from \$6 to \$8 for a two or three room house. I am now living at Cedar Hill and have been ordered out of the house several times. My son went to work at the Cedar Hill mine the other day, and, of course, if they ordered us out now they would be ordering out one of their own employees. I was renting a house from the C. F. & I. Co., and ordered some coal one day. They were very busy, and I was afraid they wouldn't get the coal delivered that month, so I managed to rake up a little slack, and when pay day came I had to pay \$2 for the coal. I said: I guess because I wanted coal I have to pay for it. I was told that they always charge everybody renting a house \$2 for coal, and that keeps them from stealing it. Well, some men may steal coal, but I felt like asking them what they did with the coal they stole from us.

Delegate FERNANDEZ. The conditions at Tollerburg are very bad. We can not travel through the manway and have to risk our lives going through the haulage way. We are not paid for room turning or rock or dead work. The cars weigh from 4,000 to 4,200 pounds, and we get credit for from 2,600 to 2,900 pounds.

Delegate LEWIS. At the Toltec mine we are expected to trade at the company store, and we have to pay \$1 a month for hospital and doctor. I asked several men why we couldn't get more pay. They didn't know, but said that since the union was not there the men had to settle on the third Saturday of each month as pay day.

Delegate DOMINICHE. When I went to work at the Tollerburg mine I asked the superintendent why it was that the large and small cars weighed alike, and he replied saying he forgot to tell me the scales were blocked. Every day we have from 700 to 800 pounds of coal stolen from us, and we do not get paid for laying track.

Delegate DOMINSKY (Walsenburg). The air course is not timbered, and it has to be watched very close for fear the roof will fall in and the air be shut off

from the miners. Another thing is the safety of the drivers, which I think should be looked after, for when a fall occurs they do not timber the road, and the drivers are compelled to pull coal under dangerous roofs. Do not pay anything for room turning or for rolls.

Delegate KOTZMAN. In the Carbondale mine we have to shoot down our own coal. We are paid \$1 for brushing from 16 inches to 3 feet. A great deal of rock falls frequently, and we have to clean it up. We are always promised pay for it, but we get nothing more than promises. Since the mine inspector visited the mine, which was some time ago, the company bought a fan, and it has not yet been installed. We are docked 600 or 800 pounds if we load bony coal, and the coal has bone at the bottom, center, and top. Besides this, we have to remove 4 or 5 inches of rock and do not get paid for it. We will have to strike for about 10 cents increase on the ton, for we have to have more money to live.

Delegate VELL. If a man wants a good room to work in at the Delagua mine he has to pay the pit boss from \$25 to \$50 cash for a good room, and anyone who refuses to pay the boss or refuses to buy him drinks has to give his room to some one who does. Everyone has to pay from \$10 to \$15 to the boss and buy the drinks for him on pay day.

Delegate RICHARD DONALD. At the Piedmont mine they do not weigh the coal. There is a seam of dirt in the coal ranging from 4 to 17 inches, and to make the miners believe they are being paid for this dirt they add 6 cents to every car of coal mined each month, which is very unfair, since the man with a large seam of dirt loads the least number of cars of coal, therefore receives less pay than the man who works in the place having a small seam of dirt.

Delegate FLOCKHART. I have been working at Oakview for seven years. If a man appears to be a union man he is fired. We are charged \$1.50 a month for doctor and hospital; 25 cents for school tax, and 25 cents for water. The doctor visits the camp once a day, and that is at 10 o'clock in the morning, and if anyone should happen to need him after that trip they have to pay \$5 for an extra trip. If he refuses to pay it the doctor gets \$5 worth of scrip at the company's office, and the same is charged against the account of the man for whom the doctor was called. One man had his leg broken two years ago, and it is not well yet. The doctor did not set it right and he had to have it doctored by some one else at his own expense, which cost him about \$500. If a man was dying, they would not have him taken to the hospital.

Delegate MILLER. The Routt County Fuel Co. have very large cars. The coal is not weighed and they pay 80 cents a car. The checks are hung on the outside of the car and if a load does not happen to suit the boss he will take the check off that car and the man does not get paid for loading it. It is then placed next to the engine and the coal used for firing. When they are in need of coal for the boilers they will stop a trip near the boiler room and unload coal off the miners' cars.

There is a company saloon, grocery store, and doctor by the name of Cole in that camp. This doctor has caused a number of people to be cripples. Some time ago a piece of rock lodged in my eye, and I had to go to the hospital, and when passing through the ward a patient asked the doctor what he expected to do with him. The doctor laughingly replied, "Well, he will be butchered up by the time he leaves here." I came out of the hospital minus this eye [indicating], and have talked to several doctors since, all of whom said that it was a crime to take the eye out. We are charged \$1 a month for that doctor, and I have worked in Routt County for three years and have always contributed \$1 each month toward the doctor's fund, and when leaving the hospital I was presented with a bill for \$12.50 for medical supplies, and in a day or two I received another bill for \$50 for the operation. I refused to pay these bills, and I think I done right in this respect. There are a good many cases similar to mine and some a great deal worse. Anyone going to that hospital comes out minus a limb, if he comes out at all, and the doctor only laughs about it, as though it were a joke.

Delegate KARL (Coal Creek). The fire boss says that his experience has been that the fire boss whose duty it is to care for the air in the mine does not have to keep it in good shape unless they have a union to back up the miners when making complaints.

Delegate FONTONCCHIO. I have been sent here by my local and was instructed to say that we ought to have a strike, and have it quick. Don't give the companies any more time, for we will never get our grievances adjusted until we do so.



Delegate VAN LOO. I wish to say that the Brookside Local Union, No. 2546, at Florence, have sent me here with instructions to say that the members of that local union have kept the local union in good standing with the district and national ever since the 1903 strike, and have waited patiently all these years for our officials to call us together to meet the operators and demand justice.

Delegate GEORGE STEWART (Black Diamond mine). I worked at Black Diamond two months and find conditions pretty bad. The coal is  $3\frac{1}{2}$  feet high and we only receive 85 cents a ton for it. We pay \$2 a room for house rent. Weight very poor. In my judgment we should get 2,400 pounds on the car and we only get from 1,700 to 2,000. We are compelled to push our loaded cars from the face.

NICK WILLE. You have to pay the boss from \$35 to \$50 for a good room; \$20 cash and the rest taken out of your salary. The boss asked me for \$30 and said he would give me a good room for it, but as soon as I ceased to pay him and buy him drinks he changed my place and put another fellow in it who promised to put up the money. If you want to keep a good place you have to pay the boss and buy drinks for him every day or he will put you out.

JOSEPH MADONA (Valdez). I asked the boss for a job and he gave it to me. I went in one night and the place was full of water, so I said to the boss, "That place doesn't suit me; there is too much water in it. He said, "Go along, and I will change you to day shift to-morrow." I worked there two more nights, and then spoke to the boss again, and he said, "You work there two more nights then I will change you." I worked there two weeks before I got another place. When I asked for track I was told to ask the driver for it, which I did, and was informed by him that I would have to secure my own track. I worked one day there for nothing. I had to go about seventeen or eighteen hundred feet to get rails. Had to wait half a day before they were brought to the entry. Could not get a car to haul them out. I asked the tracklayer if he was going to lay the track in these rooms, and he said, "No; everybody has to lay their own track." It took me one day to lay track. The cars are so large that it is necessary to have three chains in the body to prevent the sides from spreading. Get 55 cents a ton for coal. Never load by the ton, load by the acre. Cars weigh from 36 to 40 hundredweight. Ought to weigh more than 3 ton. Coal has two veins of rock; about 18 inches on the bottom. Some places 14 inches of rock; about 18 inches on the bottom. Some places 14 inches of rock; some places 8 and some 2 feet. Have to shovel rock for nothing. Turn an entry 12 feet wide for nothing. No pay for timbering. Insist that you do your own timbering, or they have your turns stopped as a penalty. When there is a fall on the road and the driver orders you to clean it up you must do so, as the driver has full power to stop turns when the miners refuse to do company work without pay. Pay \$2.25 a room house rent, and a very poor house it is. Am charged 25 cents for blacksmith. Have \$4.52 coming to me after loading seven box cars of coal. Have to go outside to get rails, and have to go in old rooms to get timber. It sometimes takes you half a day to find rails.

JOHN FARGO (Oakview). Worked at Oakview about eight months. Conditions are very bad. Get no rails, timber, or anything. Air in the entries is pretty bad. The roads in the mine are very dirty and you can not keep the cars on the track. Paid 40 cents a ton for loading machine coal; 56¢ for pick work. Load small Santa Fe car and get about 2,800 pounds. Now, they have got up a little higher; get close to 4,000 pounds since everybody has commenced to move. Have docking system, and sometimes dock half a car. There was a lady out there running a rooming house, and the superintendent said to her one day, "What are you going to do when the strike comes on?" "Well," she said, "I'll not feed any scabs." He gave her two days to move.

TOM LITTLE (Agullar). I was instructed by the men at Green Canyon to impress upon the minds of this body the terrible conditions existing at that mine. After cleaning up a fall the boss comes along and insists that they timber; all this without any pay. We have numerous grievances, most of them of the same nature as has been related here by other delegates. I want to say that if you will stand back of your officials, the fight will soon be won. It is essential for you to adhere to the organization.

T. EVANS (Fremont County). We have been blessed in Fremont County from what the situation in the southern field is. However, we have some grievances up there. If I had been in the southern field, I suppose I would have been dead by this time, because of all the evidence given I could not live under such conditions. I would be dead.

GEORGE COLLIER (El Paso County). I have been very much impressed by the testimony told in this conversation about conditions throughout Colorado. They are such that I believe we have all been made to blush to think that we have tolerated and maintained the system that has been shown prevails in Colorado. I think it is high time for us all to see what our duty is in this State. We can look to each and every State in the Nation and find conditions far superior than those we enjoy here. I hope that when we leave this convention we will go away from here with a different feeling than when we came. It gives me pleasure to observe the difference in organized mines and unorganized mines. We have already organized one mine in El Paso County, and in the last few days we have succeeded in organizing another. In the last few days this same mine has placed upon the tippie a checkweighman, which makes the second mine in El Paso County that has acknowledged that our demand for a checkweighman was a just one. The mine is thoroughly organized and is far superior to the other mines, but it is impossible for us to make any further advancement until all other mines are organized with us. It is optional to the mine boss as to the hours the miners work. He can keep them 8, 9, or 10 hours if he so desires. The sentiment in El Paso County is that there has never been anything done in that vicinity to try and organize those mines. My friends, I want to say that conditions have been such that any man who expressed his sentiments or complained about conditions he had to take his tools out the next morning. I do not care what your heart may be in trying to uphold the organization unless you have the officials of the organization at your back you are going to starve to death in Colorado.

Mr. DOYLE. And may I ask has the copies of letters that the miners sent to the governor been introduced into the record?

Chairman WALSH. No, sir; they have not been, according to my recollection.

Mr. DOYLE. Here is a letter sent to the operators, dated August 26, 1913:

UNITED MINE WORKERS OF AMERICA,  
Denver, Colo., August 26, 1913.

DEAR SIR: For many years the coal miners of Colorado have been desirous of working under union conditions and, as you no doubt know, have made this desire known on innumerable occasions, a large number of them being discharged because of their wishes in this respect.

While we know your past policy has been one of keen opposition to our union, we are hopeful at this time that you will look at this matter in a different way and will meet with us in joint conference for the purpose of amicably adjusting all points at issue in the present controversy. We are no more desirous of a strike than you are, and it seems to us that we owe it to our respective interests, as well as the general public, to make every honest endeavor to adjust our differences in an enlightened manner.

It ought to be evident to yourself and associates that Colorado can not stand alone in opposition to our movement. The operators of Wyoming, Montana, Washington, Oklahoma, Kansas, Arkansas, Missouri, Texas, and Iowa, embracing all the important coal-producing States west of the Mississippi River, have been working under contracts with our union for years, and it goes without saying that the operators in the above-mentioned States, who once held the same opinion concerning our union that you now seem to hold, are at this time well satisfied with our organization and are much pleased over the security and stability given to the industry through the medium of the trade agreement.

Why oppose us here, spending millions of dollars in an industrial conflict for no good purpose? Why is it not possible and practical for you to do in this State what the operators in all the neighboring States have already done?

We feel sure you appreciate the gravity of this situation and will do your part to meet it at this time, when no sting will be left behind, which is always the result of a strike settlement.

Let us meet now as friends and proceed to settle this entire controversy with honor to ourselves, with credit to our people, and with faith in each other.

Hoping you will favor us with a prompt reply, we beg to remain,

Sincerely, yours,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*Policy Committee Representing Colorado Miners.*

Mr. DOYLE. Letter May 26, 1914, to joint legislative committee, appointed by the special session of the legislature in an effort to make a settlement of the strike:

DENVER, COLO., May 26, 1914.

*To the joint legislative committee appointed by the special session of the legislature of the nineteenth general assembly, State of Colorado, Senator G. J. Burris, Chairman.*

GENTLEMEN: Responding to the request made for information as to our position concerning you committee, and the performance of its duties, we take pleasure in stating that we are desirous of aiding the committee in every way in performing every duty devolving upon it by the resolutions adopted by the legislature. You may therefore call upon us for all of the information at our command, and we will cheerfully furnish it.

Concerning the further inquiry as to the committee sitting as a board of mediation to settle the strike, we beg leave to state that we have submitted the resolutions under which the committee was appointed to our counsel. He informs us that neither directly nor indirectly do the resolutions adopted by the legislature give to the committee any power whatever of mediation, the subject being in no way referred to either directly or indirectly. He informs us that your powers are that of an investigating committee, and that any award that you might make against the coal operators would be of no legal force or effect. In other words the legislature met and adjourned without taking a single step for the settling of the strike and without appointing any committee with power even to attempt to settle the strike.

We trust, however, notwithstanding this failure on the part of the legislature, that you will use your good efforts toward a settlement of the industrial conflict now existing and which every good citizen should desire to be brought to a speedy and proper end.

We submit to you that the proper way to bring about this settlement is to have a conference between the operators' representatives and the strikers' representatives. We feel confident that such a conference would result in a speedy settlement.

It must be plain and clear to all that no controversy can ever be settled until there is an understanding between the contending parties. We therefore respectfully suggest that you use your good efforts to arrange for a conference between the representatives of the employers and employees. We pledge to your committee that if such a conference is arranged, we will enter that conference in good faith and make an earnest effort to amicably adjust all difficulties, and we express to you our absolute confidence that such a conference will speedily bring to Colorado industrial peace.

*International Board Member, District No. 15,  
United Mine Workers of America.*

*Secretary-Treasurer, District No. 15,  
United Mine Workers of America.*

Mr. DOYLE. Call September 8, 1913, sent by the miners to the operators, by the policy committee calling the Trinidad convention, September, 1913, for a joint conference:

**UNITED MINE WORKERS OF AMERICA,**  
*Denver, Colo., September 8, 1913.*

DEAR SIR: We hereby notify you that there will be a joint convention of miners and operators of this State at Trinidad, Colo., next Monday, September 15, at which time we hope to see your company represented.

We are making this last endeavor to settle our differences peacefully and with the hope of preventing a strike.

If you will kindly come to this joint convention, we feel sure that we can adjust all points at issue between our respective interests in a satisfactory manner.

Anticipating the pleasure of meeting you at Trinidad on the above-mentioned date, we beg to remain,

Sincerely, yours,

FRANK J. HAYES,  
JOHN R. LAWSON,  
JOHN McLENNAN,  
E. L. DOYLE.

*Policy Committee Representing Colorado Mine Workers.*

Mr. DOYLE. Letter under date of November 12, 1913, to Gov. Elias M. Ammons in answer to his verbal proposition concerning a settlement, or effort to make a settlement, in Routt County:

UNITED MINE WORKERS OF AMERICA,  
Denver, Colo., November 12, 1913.

HON. ELIAS M. AMMONS,  
Governor of the State of Colorado, Denver, Colo.

DEAR SIR: Having carefully considered the verbal proposition submitted by you on the 12th day of November, 1913, as a working basis upon which to have the mines in Routt County, Colo., resume operation, which you propose to both miners and operators, in substance, as follows:

First. That a 10 per cent increase in wages be granted.

Second. That no discrimination be made against the miners now on strike.

Third. The right of the miners to belong to a union, without interference on the part of the companies.

Fourth. The right to have a checkweighman, if the miners so desire.

Fifth. The right of the miners to board and trade where they choose.

Sixth. That the operators agree to meet a committee of their employees to settle disputes that may arise in or around the mines, and that, in the event of failure to settle such dispute, the miners to choose two of their number, the operators two, and Father Meyers, of Steamboat Springs, Colo., to act as the fifth person to constitute a board of five, whose decision shall be final.

Seventh. This arrangement to be in effect until March 1, 1914.

We desire to call your attention to the fact that the policy committee is extremely anxious to bring about a peaceful solution of this great industrial struggle. Realizing, as we do, that the public, who is always the innocent victim in any strike, is often the greatest sufferer. However, we are of the opinion that the policy committee has no authority to deviate from the instructions laid down by the convention of miners held in Trinidad, Colo., on September 15-16, 1913, to which every coal operator in the State of Colorado was extended an invitation to be present and participate in the deliberations, and therefore we can not agree to enter into any kind of a verbal arrangement or in any manner make any change in the wage agreement outlined by the convention without first calling a special convention of the miners of this State. Furthermore, any arrangement that is entered into with any operator in this State that deviates from our instructions by the convention would be unfair to the other independent operators who have signed our scale and who now employ about 1,500 miners. It is our opinion that instead of bringing about harmony and a peaceful solution of our strike it would have the opposite effect, for the reason that every operator would have the right to demand the same modification in his contract.

Assuring you of our appreciation of your sincere and untiring efforts, it is with deep regret that we are unable to accept on behalf of the miners of this State the proposition submitted by you, and we sincerely hope that with the cooperation of yourself and other fair-minded citizens a satisfactory solution of this problem will be found in the near future.

Yours, very truly,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*Policy Committee Representing District 15, Mine Workers.*

Mr. DOYLE. Copy of letter under date of November 13, written to Gov. Elias M. Ammons, by the policy committee, at his request that we submit a proposition for the purpose of reaching a settlement of the coal strike:

UNITED MINE WORKERS OF AMERICA,  
Denver, Colo., November 13, 1913.

HON. ELIAS M. AMMONS,  
Governor of the State of Colorado, Denver Colo.

DEAR SIR: As per your request of a few days ago, wherein you expressed the desire to have the policy committee submit a proposition for the purpose of reaching a basis of settlement of the present coal strike, we beg to assure you that the United Mine Workers are and have always been ready to enter into a conference with the coal operators of this State for the purpose of adjusting the differences now existing between the miners and operators of Colorado.

Owing to the insistent demand on the part of the coal miners of this State, that the mine workers' union assist them in forming a union to protect their interests, to secure better working conditions and a just wage for their labor, and believing that unless something was done to relieve this condition, an industrial conflict would result, your attention was called to this condition of affairs several months before the strike was called, and we asked that you use your good offices for the purpose of bringing the miners and operators into a conference.

Later, many attempts by yourself to secure a conference with the gentlemen operating these mines having failed to bring results, the miners of the State continuing in their demand upon the organization, the international executive board of the United Mine Workers of America held a meeting at their headquarters in the month of July, 1913, in which they decided to answer the appeal of the Colorado mine workers and lend every effort to adjust their differences without a strike, and on August 1, 1913, the international president delegated Frank J. Hayes, vice president of the United Mine Workers of America, to take charge of the organization's work, with instructions to use all honorable means to effect an adjustment of the differences existing between the operators and miners.

The undersigned policy committee, which was organized at that time, realizing the seriousness of this situation, held several interviews with you, as governor of the State, in an effort to avert the threatened strike.

Your good offices again failing to secure a conference between the miners and operators, we extended the following invitation to the operators of Colorado:

AUGUST 26, 1913.

DEAR SIR: For many years the miners of Colorado have been desirous of working under union conditions, and, as you no doubt know, have made this desire known on innumerable occasions, a large number of them being discharged because of their wishes in this respect.

While we know your past policy has been one of keen opposition to the union, we are hopeful at this time that you will look at this matter in a different way and will meet with us in joint conference for the purpose of amicably adjusting all points at issue in the present controversy. We are no more desirous of a strike than you are, and it seems to us that we owe it to our respective interests, as well as the general public, to make every honest endeavor to adjust our differences in an enlightened manner.

It ought to be evident to yourself and associates that Colorado can not stand alone in opposition to our movement. The operators of Wyoming, Montana, Washington, Oklahoma, Kansas, Arkansas, Missouri, Texas, and Iowa, embracing all the important coal producing States west of the Mississippi River, have been working under contracts with our union for years, and it goes without saying that the operators in the above-mentioned States, who once held the same opinion concerning our union that you now seem to hold, are at this time well satisfied with our organization and are much pleased over the security and stability given to the industry through the medium of the trade agreement. Why oppose us here, spending millions of dollars in an industrial conflict for no good purpose? Why is it not possible and practical for you to do in this State what the operators in all the neighboring States have already done?

We feel sure you appreciate the gravity of this situation and will do your part to meet it at this time, when no sting will be left behind, which is always the result of a strike settlement.

Let us meet now as friends and proceed to settle this entire controversy with honor to ourselves, with credit to our people, and with faith in each other.

Hoping you will favor us with a prompt reply, we beg to remain,

Sincerely, yours,

FRANK J. HAYES,  
JOHN R. LAWSON,  
E. L. DOYLE,  
JOHN MCLENNAN,

*Policy Committee Representing Colorado Mine Workers.*

This failing to receive favorable consideration, and the demands of the miners becoming more insistent that a strike be called, we issued the following calls for a special joint convention of miners and operators, to meet in the city of Trinidad, September 15, 1913.

DENVER, COLO., September 8, 1913.

DEAR SIR: We hereby notify you that there will be a joint convention of miners and operators of this State at Trinidad, Colo., next Monday, September 15, at which time we hope to see your company represented.

We are making this last endeavor to settle our differences peacefully, and with the hope of preventing a strike.

If you will kindly come to this joint convention, we feel sure we can adjust all points at issue between our respective interests in a satisfactory manner.

Anticipating the pleasure of meeting you at Trinidad, on the above-mentioned date, we beg to remain,

Sincerely, yours,

FRANK J. HAYES,  
JOHN R. LAWSON,  
E. L. DOYLE,  
JOHN MCLENNAN,

*Policy Committee Representing Colorado Mine Workers.*

DENVER, COLO., September 8, 1913.

To all Local Unions of District 15, U. M. W. of A.:

## REPORT OF SCALE.

We, the representatives of the mine workers of district 15, after repeated efforts to secure a conference with the operators for the purpose of establishing joint relations and a fair wage agreement, and having been denied such a conference, the operators ignoring our invitation entirely and believing as we do that we have grievances of great moment that demand immediate adjudication, we submit the following as a basis of settlement:

First. We demand recognition of the union.

Second. We demand a 10 per cent advance in wages on the tonnage rates, and the following day-wage scale, which is practically in accord with the Wyoming day-wage scale (inside):

Miners (working by the day).....	\$3. 45
Timbermen.....	3. 45
Tracklayers.....	3. 45
Shot firers and shot inspectors.....	4. 00
Machine runners.....	3. 90
McGinty repairer and rope splicer.....	3. 45
Machine runners' helpers.....	3. 45
Drillers.....	3. 75
Drivers.....	3. 45
Inside engineer.....	3. 45
Ripe riders.....	3. 45
Greasers (boys).....	2. 05
Switch boys and boy coupling at partings.....	2. 05
Trappers (boys).....	1. 60
Stablemen and barn men, inside.....	3. 15
Inside laborers, not classified.....	3. 30
Pump men.....	3. 30
Motor men.....	3. 45
Motor brakemen and tail-end riders.....	3. 30
Gas watchmen.....	4. 00

## OUTSIDE DAY WAGE SCALE.

Engineers, \$112.50 per month, based upon an eight-hour workday.

Firemen.....	per day.....	\$3. 15
Head blacksmith (in charge of one or more blacksmiths).....	do.....	3. 90
Other blacksmiths.....	do.....	3. 50
Blacksmiths' helpers.....	do.....	2. 80
Carpenters.....	do.....	3. 50
Machinists.....	do.....	3. 50
Machinists' helper.....	do.....	2. 90
Teamsters.....	do.....	2. 80
Box-car shovelers.....	do.....	3. 05
Electricians (in and around the mine).....	do.....	3. 50

# 7036 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

Boiler makers.....	Per day	\$4. 00
Masons and bricklayers (in and around the mine).....	do	3. 50
Slate pickers (boys).....	do	2. 05
Pipe men.....	do	3. 45
Miners taken from face.....	do	3. 45
Box-car loader, runner.....	do	3. 30
Night watchman (if performing work for which a scale is made).....	do	2. 80
Outside labor not classified.....	do	2. 65
Greasers (boys).....	do	2. 05
Tipple men.....	do	2. 80

We also demand a 10 per cent advance on the wages paid coke-oven workers and on all other classes of labor not specified herein.

Third. We demand an eight-hour workday for all classes of labor in or around the coal mine and at coke ovens.

Fourth. We demand pay for all narrow work and dead work, which includes brushing, timbering, removing falls, handling impurities, etc.

Fifth. We demand a checkweighman at all mines to be elected by the miners without any interference by company officials in said election.

Sixth. We demand the right to trade in any store we please, and the right to choose our own boarding place and our own doctor.

Seventh. We demand the enforcement of the Colorado mining laws and the abolition of the notorious and criminal guard system which has prevailed in the mining camps of Colorado for many years.

## REPORT OF POLICY.

In view of the failure of our efforts to secure a peaceful solution of our differences, and in view of the fact that the operators have even refused to answer any of our invitations for a joint meeting, we hereby instruct that a strike call be issued by the district policy committee to all the mine workers in Colorado to take effect Tuesday, September 23, 1913.

We further recommend that any member who is discharged because of affiliation with our movement shall be promptly supported by the organization.

In conformity with the past policy of the organization, which has worked so successfully in other districts, we recommend that we sign up with all companies that agree to our demands, provided, however, that they agree not to furnish coal to fill contracts of companies on strike, and that companies that sign up must do so for all the mines they operate.

JOHN R. LAWSON,  
PETE MILLER,  
THOMAS DENNISON,  
JOHN SIDLE,

JOHN BURKE,  
GEO. COLLIER,  
CHAS. W. GOULD,  
JAS. NOON, Jr.,  
*Policy Committee.*

September 23 was the date set by the convention for the miners of the entire State to strike unless the operators agree to meet their representatives in conference on or before that date. Many efforts were made by yourself and others between the time of this convention and the date of the strike to bring both parties to this controversy into a conference, all of which failed, and on September 23 fully 95 per cent of the miners employed in the mines of this State responded to the strike call. Since that time a large number of independent mine operators have signed contracts with the miners' union in accordance with the policy adopted in the convention.

The strike situation continues to grow more serious from day to day, and if permitted to continue longer it might be the result of involving thousands of working men and women in our State. Realizing, as we do, that Colorado is facing the most critical period in its history, business is practically at a standstill, and the citizens who are not directly interested are the greatest sufferers in this industrial conflict, we desire to make it plain to you and to the people of this State that we stand ready and willing to do everything in our power to have this unfortunate condition of affairs settled. Therefore, we beg to submit the following proposition:

That the operators meet and confer with five representatives of the miners' union, as follows: Three striking coal miners and the following officials of the United Mine Workers' Union, who are citizens of the State of Colorado; John McLennan, president of district 15, U. M. W. of A., and John R. Lawson, member of the international executive board, for the purpose of arranging a basis

for a settlement. The basis agreed upon by this committee and the operators, to be submitted to a special convention of the miners of Colorado, for their approval or rejection.

Sincerely hoping that the above proposition will lead to an early adjustment of the coal strike, we beg to remain,

Sincerely, yours,

FRANK J. HAYES,  
JOHN R. LAWSON,  
JOHN McLENNAN,  
E. L. DOYLE,

*Policy Committee Representing District 15, Mine Workers.*

Mr. DOYLE. Proposition submitted by the governor of the State, under date of November 27, 1913, to Messrs. Welborn, Osgood, Brown, operators, and Messrs. Evans, Allison, Hammon, miners, in an effort to settle the strike after having a conference with the miners:

DENVER, COLO., November 27, 1913.

*Messrs. J. F. Welborn, John C. Osgood, D. W. Brown, operators, and Messrs. T. X. Evans, Archie Allison, David Hammon, miners, Denver, Colo.*

GENTLEMEN: Having listened to your conference throughout yesterday, and believing from representations made that there is no material difference between you sufficient to warrant a continuance of the present difficulties, I desire to make a suggestion for the termination of the present industrial dispute.

The one apparently insurmountable obstacle to a settlement was the recognition of the union, and almost every other material difference between you hinged about that question, or is covered by existing law.

There is no law compelling the operators to recognize the union nor to permit the employees to exact that recognition. The statute does provide, however, for the right to join a union if the miners so wish without coercion or interference. This law has been read to all the conference and its provisions agreed to by each conferee. It reads as follows, and I suggest to you that its provisions be made the basis of a conclusion on this point:

"It shall be unlawful for any individual, company, or corporation, or any member of any firm, or agent, officer, or employee of any company or corporation to prevent employees from forming, joining, or belonging to any lawful labor organization, union, society, or political party, or to coerce or attempt to coerce employees by discharging or threatening to discharge them from their employ or the employ of any firm, company, or corporation, because of their connection with such lawful labor organization, union, society, or political party." (Sec. 3925, Revised Statutes of Colorado, 1908.)

Bearing in mind the discussion on the other points involved, I suggest the following as a satisfactory solution:

The employment of a checkweighman as provided by law, giving the miners themselves the right to choose their own checkweighman.

The carrying out in good faith the statute making it unlawful to use or employ, directly or indirectly, the so-called "truck" or "scrip" system in the payment of men.

The enforcement of the law for an eight-hour day in all underground mines and coke ovens, as provided in chapter 95 of the session laws of 1913.

That all employees shall have the right to buy where they will without interference or coercion of any kind whatsoever.

That all employees shall have a semimonthly pay day according to the custom now prevailing in coal mines over most of the State.

That all employees shall have the right to board where they please.

The enforcement of all the provisions of the coal-mine inspection law of 1913, providing for the safety of the mine and the protection of the life and health of the employees.

That all employees now on strike shall be given employment except where their places have been filled or where they have been guilty of violence or other unlawful acts, and that where places have been filled other work will be furnished as soon as practicable.

Mr. DOYLE. Telegrams, replies received from the officers and committees of the various local unions in the State telling the district officers of the action upon that proposition just proposed and entered into the record:



## 7038 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

TRINIDAD, COLO., December 3, 1913.

E. L. DOYLE,

303 German-American Building, Denver, Colo.:

Mass meeting of Piedmont-Sopris local unions voted down unanimously proposition offered as a basis of settlement.

A. J. KAWA, *Secretary*.

TRINIDAD, COLO., December 3, 1913.

E. L. DOYLE,

303 German-American Bank Building, Denver, Colo.:

Mass meeting of Starkville-Morley-Wootten local unions rejected unanimously proposition submitted as a basis of settlement.

PHILLIP SIPPIE, *Secretary*.

TRINIDAD, COLO., December 3, 1913.

E. L. DOYLE,

303 German-American Building, Denver, Colo.:

Mass meeting of Segundo-Valdez local unions unanimously rejected proposition submitted to us as a basis of settlement.

J. R. VASQUEZ, *Secretary*.

TRINIDAD, COLO., December 2, 1913.

E. L. DOYLE,

303 German-American Trust Co., Denver, Colo.:

Mass meeting of Cokedale, Graycreek, Bowen, Suffield, and Trinidad local unions held this a. m. Attendance, 482. Proposition as basis of settlement voted down unanimously.

G. F. WILSON, *Secretary*.

WALSENBURG, COLO., December 2, 1913.

E. L. DOYLE, *Secretary*,

303 German-American Trust Building, Denver, Colo.:

The miners in mass meeting at La Veta unanimously rejected the governor's proposition and stand firm on the demands of the Trinidad convention.

ANDREW PACK, *Chairman*.

CHAS. MONSON, *Secretary*.

WALSENBURG, COLO., December 2, 1913.

E. L. DOYLE, *Secretary*,

303 German-American Trust Building, Denver, Colo.:

The miners in mass meeting at Pryor, Colo., unanimously rejected the governor's proposition and stand firm on the demands of the Trinidad convention.

N. H. TREW, *Chairman*.

JULIO MARTINEZ, *Committeeman*.

JOHN PLANEX, *Committeeman*.

WALSENBURG, COLO., December 2, 1913.

E. L. DOYLE, *Secretary*,

303 German-American Trust Building, Denver, Colo.:

At a mass meeting in Maltland, Colo., the miners stood firm on the demands of the Trinidad convention and unanimously rejected the governor's proposition.

M. CUMMINS, *Chairman*.

DUNCAN RUSSELL, *Secretary*.

WALSENBURG, COLO., December 2, 1913.

E. L. DOYLE, *Secretary*,

303 German-American Trust Building, Denver, Colo.:

The miners in mass meeting at Walsenburg unanimously rejected the governor's proposition and stand firm on the demands of the Trinidad convention.

B. F. THOMAS, *Chairman*.

ARCHIE ALLISON, *Committeeman*.

H. C. JOHNSON, *Committeeman*.

FLORENCE, COLO., December 2, 1913.

E. L. DOYLE,

*303 German-American Trust Building, Denver, Colo.:*

Mass meeting of the miners of Coal Creek, Rockvale, and Williamsburg was heard at Rockvale to-day when the proposition submitted to us by Gov. Ammons and M. B. Wilson was torn down by the men unanimously.

T. X. EVANS.

RUGBY, COLO., December 2, 1913.

EDWARD L. DOYLE,

*Office 303 German-American Trust Building, Denver, Colo.:*

At a special meeting of the miners of Rugby district, by a unanimous vote, we refuse to accept the operators' proposition submitted by the governor.

Witnesses:

JAROT STEFFEN.  
THOMAS SHERRATT.  
JOHN CADIGAN.

LUDLOW, COLO., December 2, 1913.

E. L. DOYLE,

*303 German-American Building, Denver, Colo.:*

By mass meeting held by the striking miners of the tent colony at Ludlow, Colo., at 1 p. m. this date, voted on the proposition offered by Hon. Gov. Ammons, was rejected by unanimous vote, and demanding "a full recognition of the union."

Signed by committee:

PETER CATSULIO.  
JOHN CHURCICH.  
JOE MARTINEZ.  
BOSKO LABUDOVICH.  
GUILIO COPPA.  
R. A. JOLLY.

BOWEN, COLO., December 2, 1913.

EDWARD L. DOYLE,

*Secretary-Treasurer,**Office 303 German-American Trust Building, Denver, Colo.:*

We, the striking miners of Bowen and Suffield, have had a mass meeting, voted unanimously not to consider any proposition proposed to us by the operators that does not include recognition of the union.

TONY DELASKY, *Chairman,*  
BEN FREEMAN,  
DAN GERMAN,  
FRANK GWAK,  
*Committee.*

FLORENCE, COLO., December 2, 1913.

E. L. DOYLE,

*303 German-American Building, Denver, Colo.:*

Special meeting of the men was held at Brookside in Florence to-day, at which place the proposition as offered to the men was turned down unanimously.

T. X. EVANS.

AGUILAR, COLO., December 2, 1913.

EDWARD L. DOYLE,

*Office 301 German-American Trust Building, Denver, Colo.:*

At a meeting of about 350 miners, Gov. Ammons's proposition was unanimously rejected and that we request our district officers to take any steps necessary to recall Gov. Ammons and Gen. Chase.

RALPH WALKER.  
COLUF VUJACICH.  
A. J. MCGUIRE.

Mr. DOYLE. Affidavit of Andrew Tronlitakis, under date of December 13, 1912, showing that he was compelled to buy a job in the mines in northern Colorado:

## AFFIDAVIT.

STATE OF COLORADO, *City and County of Denver*, ss:

Andrew Tronlitakis, of lawful age, being first duly sworn, on oath deposes and says:

That on or about September 14, A. D. 1912, affiant met one Jeff Rhodes in Denver, Colo., and applied to the said Rhodes for work at the said Consolidated Coal & Coke Co., at Dacono, Colo., at which mine the said Jeff Rhodes was the pit boss; that the said Jeff Rhodes agreed with the affiant that he would secure work for affiant in consideration of affiant paying said Jeff Rhodes some money, the amount of which was not stated at that time; that thereafter and on, to wit, the 19th day of September affiant went to the said mine and was hired by the said Jeff Rhodes, and in consideration of such employment paid to the said Jeff Rhodes the sum of \$20 in cash immediately upon said last-mentioned date.

That affiant continued in the employ of said coal company for a period of about two weeks until he received his first pay, which pay was received by affiant on the regular pay days of the company. That affiant was last paid on December 7, A. D. 1912, and on the 9th day of December, a few days after said pay was received, the said Jeff Rhodes came to affiant and demanded that affiant pay him some more money, which affiant refused to do. Upon such refusal by affiant to pay said Jeff Rhodes more money affiant was immediately discharged by the said Jeff Rhodes.

And further affiant saith not.

[SEAL.]

ANDREW TRONLITAKIS.

Subscribed and sworn to before me this 13th day of December, A. D. 1912.

WILLIAM H. SCOFIELD, *Notary Public*.

My commission expires March 7, 1915.

Mr. DOYLE. Affidavit of J. R. Petty, under date of November 28, 1913, concerning an effort on the part of the members of the Colorado State Militia that he would agree to hold him up with the pay roll and split the money after he got away with it:

STATE OF COLORADO, *County of Las Animas*, ss:

Personally appeared before me this 28th day of November, A. D. 1913, J. R. Petty, who first being duly sworn according to law, deposes and says: On the 24th day of November, 1913, while taking out the Valdez pay roll to the striking miners for the United Mine Workers of America, I was held up by a squad of militiamen, in command of one Kennedy; while he was ordering the two parties who accompanied me searched, he walked up very close to me, and says: "What have you in there?" I answered, "A small bunch of money." He replied, "What is the chances of holding you up and splitting the pay roll with you," and I, placing my hands upon my revolver, told him there was nothing doing, and requested him to back off, and he did so.

J. R. PETTY.

Sworn to and subscribed before me this 28th day of November, A. D. 1913.

FRANCIS M. TIPTON, *Notary Public*.

My commission expires April 28, 1913.

Mr. DOYLE. Copy of affidavit of Mike Stoyanoff, under date of August 26, 1913, pertaining to his request that he act as checkweighman at the Mitchell mine at Lafayette, and he was driven out of the mine by reason of his request:

LAFAYETTE, COLO., August 26, 1913.

STATE OF COLORADO, *County of Boulder*, ss:

I, Mike Stoyanoff, having been employed at the Mitchell mine at Lafayette, Colo., operated by the Rocky Mountain Fuel Co., since August 5, 1913, did on this the 26th day of August, 1913, with a number of other men employed in said mine, make a complaint to the mine foreman about the weight received for coal mined, and not receiving a satisfactory reply, offered to act as checkweighman for my fellow workmen.

On hearing this the mine boss and Mr. J. G. Williams, the superintendent, refused to permit a checkweighman upon the mine tippie, and when I told him that for 45 cars one of the miners received only 41 tons, he said that the coal was light; at 5.30 o'clock p. m. John Thomas, the boss, came to my house with five guards and ordered me out of the house; they gave me only 10 minutes to get ready to leave, although I pleaded for more time; one of them phoned for a wagon, which came for my trunks, and I was compelled with others to leave at once.

MIKE STOYANOFF.

Be it known that on this the 26th day of August, A. D. 1913, personally appeared before me the above-named Mike Stoyanoff, who being by me duly sworn, upon his oath did depose and say that the foregoing statement of facts by him subscribed is in all things true of his own knowledge.

[SEAL.]

JAMES McCUNE, Notary Public.

My commission expires December 31, 1916.

Mr. DOYLE. Affidavit August 26, 1913, signed by five miners, certifying to the truthfulness of the previous affidavit:

LAFAYETTE, COLO., August 26, 1913.

STATE OF COLORADO, County of Boulder, ss:

We, the undersigned, employees of the Rocky Mountain Fuel Co., employed at the Mitchell mine at Lafayette, Colo., were present during the conversation between Mr. Mike Stoyanoff and the mine foreman and superintendent, J. C. Williams, when the latter denied the miners the right to have a checkweighman.

We were compelled by the mine guards to leave the company's property at the same time Mr. Stoyanoff left and were given no reason by the guards why we had to leave.

[SEAL.]

GEO. CERETULIS.

[SEAL.]

MIKE POULS.

[SEAL.]

TOM. GRIGOROS.

[SEAL.]

NICK EIGOROS.

[SEAL.]

JOHN POWLOS.

Be it known that on this the 26th day of August, A. D. 1913, personally appeared before me the above-named George Ceretulis, Mike Pouls, William Grigoros, Nick Eigoros, John Powlos, who, being by me duly sworn, depose and says that the foregoing statement of facts by them subscribed is in all things true of their own knowledge.

[SEAL.]

JAMES McCUNE, Notary Public.

My commission expires December 31, 1916.

Mr. DOYLE. Copy of affidavit of Mrs. Frank Fitch, under date of January 7, 1914, describing how a mob broke up court proceedings in Routt County and drove the defendants from the court room and ordered them out of the county within 24 hours:

AFFIDAVIT OF MRS. FRANK FITCH.

STATE OF COLORADO, County of Routt, ss:

I, Mrs. Frank Fitch, of Steamboat Springs, Colo., being first duly sworn, on her oath doth say. That I was present in the court room in the county courthouse at Steamboat Springs, Colo., on the evening of January 2, 1914; that at said time in said court room Justice of the Peace O. E. Mallory was holding a preliminary hearing in a case where Martin Steinhart and others were charged with rioting in Oak Creek, Colo.; that I was sitting in said court room just behind Frank Garnier and near to the said justice and to the defendants, between the hours of 9 and 10 o'clock on the evening of said January 2, 1914, when a body of men, among whom were George Salter, Hugh Monson, Dr. Cruikshank, Mr. ——— Welsh, first name to the affiant unknown, Dan Stuke, H. C. Dodge, Harry Ratcliff, R. M. Smith, William Green, Mr. ——— Bivens, first name to affiant unknown, came into the court room, and soon thereafter at the conclusion of the statement of the justice in making his findings and while the court was yet in session, one of their number asked the said court that Harry Ratcliff be allowed to speak; that thereupon said Ratcliff came forward to a place near the court and near to said Garnier, one Ferguson, and said Steinhart and said substantially as follows:

"Speaking for this body of men and others who are the taxpayers of Routt County numbering about 1,000 men and from all parts of the county, from McCoy to Craig, I inform you that this body of men have determined that Frank Garnier, Martin Steinhardt, and J. L. Ferguson are undesirable citizens and must leave the borders of Routt County within 24 hours. Now, gentlemen, this order must be obeyed. This body of men mean business."

That thereupon said Ratcliff indicated by pointing his finger at the three men named; that at this instant Mr. A. A. Mann, who was acting as attorney for said Martin Steinhardt and the other defendants in said hearing, arose and attempted to speak to the court and to the said body of men, but was prevented by voices from said body of men saying "Sit down," "Shut up," and "Shut your mouth"; that the said body of men, including Harry Ratcliff, left the court room. Further affiant saith not.

Mrs. FRANK FITCH.

Subscribed and sworn to before me this 7th day of January, A. D. 1914.

[SEAL.]

A. H. PHELPS,  
Justice of the Peace.

Mr. DOYLE. Affidavit by Mike Livoda, under date of the 29th day of June, 1912, certifying as to how he was beaten up by a deputy sheriff in Huerfano County, taken out of bed at night and beaten up for being a union miner:

STATE OF COLORADO, *Las Animas County*, ss:

Mike Livoda, of lawful age, being first duly sworn, on his oath doth depose and state:

That he is, and on the 13th day of June, 1912, was a member of the United Mine Workers of America, and that for the past two years has been engaged in the business of coal mining as a worker in coal mines in Las Animas and Huerfano Counties, Colo.

That his home at the present time is at Trinidad, Colo. That on the 13th day of June, 1912, he went to the coal camp of Ravenwood, in the county of Huerfano, Colo., arriving at that camp at about 8.30 p. m. of said day, and went to the house of his countrymen and friends to visit them and intended to remain with his friends and countrymen during the night of the 13th of June. That he went to bed in the said home of his friends and countrymen about 10 o'clock p. m. on said night, and had gone to sleep in a room of said house with three of his friends and countrymen; that about 11.30 or 12 o'clock on said night, he was awakened by three men who had entered the room where affiant was sleeping, and that an electric light was turned in his face and he was ordered by said men to get up and dress; that after he had dressed he was told to hold up his hands, and one of the men went through his pockets and took from him his books, keys, and money, but afterwards returned to affiant his keys and money and kept his books; the men then said, "Come and go with us," and one of the men grabbed him by the belt, and as he was complying with their orders and was stepping out of the house one of the men struck him in the face and knocked him down and he began to cry for help; the men then put their hands over his mouth and said, "Shut up, you son of a bitch, or we will kill you"; while affiant was on the ground he was brutally beaten and kicked so that it was with great difficulty that he could walk; that his face was badly beaten and lacerated, and affiant became weak from loss of blood; that affiant was then picked up by said men and held up by his arms, one man having hold of each arm, and forced out of Ravenwood camp, and while being forced out of said Ravenwood camp he was kicked, beaten, and assaulted by said men, and affiant was told to leave the State of Colorado, and that if he did not leave the State at once they would kill him; and said men fired off their revolvers several times while making said threats.

That as a result of said brutal treatment and beating and kicking, affiant was confined to bed for one week and was unable to work, and that his back is badly injured as the result of said kicking and beating and that he still suffers great pain on account thereof.

That the names of said men who were present and assaulted and beat and robbed the affiant of his books and papers were James Farr, deputy sheriff at Ravenwood mine; John Nish, superintendent at Ravenwood mine; Joe Watson, guard at Ravenwood mine; Charles Kaiser, assistant superintendent at Walsen mine; and one Carr, whose first name is unknown, deputy sheriff at Walsen mine; all in Huerfano County, Colo.

Affiant further states that all of the above-named parties were acting in concert in assaulting, beating, robbing, and ordering affiant to leave the State of Colorado.

That affiant has applied to the proper authorities of Huerfano and Las Animas Counties and requested that warrants issue for the arrest of the persons who assaulted him, and offered to make and swear to criminal complaints against said persons, but that said authorities refused and still refuse to issue warrants or to prosecute said persons or either of them.

MIKE LIVODA.

Subscribed and sworn to before me on this the 29th day of June, 1912.

DAVID M. RALSTON, *Notary Public*.

My commission expires June 8, 1915.

Mr. DOYLE. Copy of affidavit of Gust Coucas, under date of December 14, 1912, pertaining to the buying of jobs at mines in northern Colorado:

FREDERICK, COLO., December 14, 1912.

STATE OF COLORADO, *County of Weld*, ss:

That affiant further states that he was in Dacono on or about the 22d day of November, A. D. 1912, talking to some union men in regard to joining the union, and that then and there the said Jeff Rhodes, pit boss, seen him talking to the said union men. That affiant went to work the next day, and was then and there discharged by the said Jeff Rhodes, pit boss. That the said Jeff Rhodes, pit boss, did not assign any reason for his discharge.

And further affiant saith not.

GUST (his x mark) COCCAS.

Subscribed and sworn to before me this 14th day of December, A. D. 1912.

J. E. DAVIS, *Notary Public*.

My commission expires August 17, 1913.

Mr. DOYLE. Statement of William J. Yount, pertaining to being fired in the northern fields for not buying his supplies at the company's store. That is a signed statement but is not an affidavit:

DENVER, COLO., January 29, 1913.

I, William J. Yount, have been in the employment of the Northern Coal & Coke Co.'s Industrial mine, located at or near the town of Superior, Boulder County, Colo., and afterwards at the Rex mine, No. 2, of the Rocky Mountain Fuel Co., located at or near Louisville, also in Boulder County, Colo. My term of employment for these two companies covered the period from May 28, 1910, to and including January 25, 1913. Prior to my employment with the aforesaid companies I worked for the Great Western Sugar Co., but was persuaded by letter through one Henry Berlyn, who at that time was employed at the Rex mine, No. 2, Northern Coal & Coke Co., to come and accept employment at aforesaid Rex mine, No. 2. When I arrived to commence work I was sent to the Industrial mine of the Northern Coal & Coke Co. I remained at the service of the aforesaid Northern Coal & Coke Co.'s Industrial mine from the 26th day of May, 1910, to the 16th day of August, 1911. I was then transferred to the aforementioned Rex mine, No. 2. I was employed first as fireman and then as second engineer at aforementioned Industrial mine, and when I was transferred to the Rex mine, No. 2, I was employed first as fireman and then as third engineer.

While employed at the Industrial mine I made my purchases for the necessities of life from the store operated by the State Mercantile Co., which to my best knowledge is controlled by the Northern Coal & Coke Co. I went to Denver on or about the 6th day of July, 1910, to make some purchases, because I could buy considerably cheaper at independent stores than at the stores of the State Mercantile Co. Shortly after I returned from Denver I was met by a few of the workmen at the mine, and we discussed the question of the high cost of living. They asked me where I did my trading. I replied that up to the 6th day of July I had been doing it at the company's stores, but that I went to Denver and made some purchases there. They told me that I had better be careful or I would be running around looking for a job. Then I renewed my trading at the company store until the month of July, 1911. Then I borrowed \$30 from a

brother in law of mine and went to Denver to make some purchases. I had been using a book at the company store, but when I made the purchases at Denver I had enough supply on hand to carry me over for a few weeks, which, of course, caused my book not to appear daily at the company store.

About two weeks after I had made this purchase at Denver I happened to be in the company store, and the clerk says to me, "Hello, Billy, where are you going? Denver, I suppose?" I replied, saying, "Yes; I thought I would take a run down." He asked me if I had bought any groceries in Denver, and I told him I had. He asked me if I could do better in Denver than at the company store, and I told him that I could, and that I had saved about \$5 on a \$30 order of goods that I had bought in Denver. About two weeks after I had this conversation with the clerk, the superintendent of the mine, J. J. McCormick, came to me and said: "Billy, I guess I will have to give you your time." I asked him what it was for, and he replied, "Damned if I know." I pressed him for an explanation, and he then said: "You don't seem to get along with the boys very good." The superintendent then told me that the master mechanic wanted to see me. I went to the shop to see said master mechanic, and he told me that he had a job for me, but we could not agree on the question of wages, he offering to pay me only \$2.50 per day—I had been getting \$3—and, besides, he told me I would have to be loyal to the company. This happened on or about the 16th day of August, 1911. On my way back home I secured employment at Rex mine, No. 2, as fireman.

After working several months as fireman I was put on as third engineer. I did my trading with the company store until I accumulated enough money to go to Denver to make my purchases there. Some time after I began to purchase at Denver I was told by the mine superintendent that I would have to take the job firing on the day shift, to which I replied that rather than take that job I would quit, and he replied "All right." It is my actual belief that the reason said mine superintendent, Tom Hilton, wanted to change me from third engineer to fireman on the day shift, which is considerably more disagreeable work, is because I did not do my trading in the company store. I quit and secured employment on the 15th day of January at the Hecla mine, located at or near Louisville, Colo. I worked at said Hecla mine as second engineer from January 15, 1913, to January 25, 1913, when I quit because of the work being intolerable. It was not my desire to quit suddenly and I gave the top foreman notice of my intentions to quit. J. C. Williams, general superintendent for the Rocky Mountain Fuel Co., told the top boss to come to me and tell me that if I didn't like the conditions under which I was working I could quit immediately, that I didn't have to work out any notice.

It is my honest belief that men have not been treated with honesty in respect to the weighing of the coal. Last fall the Bulgarians employed at the Rex mine No. 1 and Hecla mine refused to continue at work because, as they claim, they were defrauded in the weighing of the coal, and because, as they claim, they were being dishonestly treated at the company stores.

There is no system prevailing at these mines in respect to the number of hours the miners work. I have known them to go down as early as 5 o'clock in the morning and come out as late as 7 o'clock in the evening.

The Bulgarians at Rex mine No. 1 asked for a checkweighman at the mine to look after their interests in the weighing of the coal. To my best knowledge and belief the matter was settled by the company promising them correct weight and that they would sell them provisions at the company stores for the same prices as prevailing in Denver. I have heard and read of alleged abuses of and assaults on the nonunion men. In this respect I want to emphasize that I have moved around freely in the districts affected by the strike at all hours during the day and night, but was never molested by anyone, even to the extent of the use of abusive language.

I make this statement freely and of my own volition, hoping that it will be of value to the United Mine Workers of America in their efforts to improve the conditions that prevail in the nonunion mines and that those who are now outside of the ranks of said organization working in the nonunion mines will enlist in said organization for the common good of all those employed in or around the mines.

WILLIAM J. YOUNT.

Mr. DOYLE. Statement made by Andrew Colnar, under date of November 27, 1913, telling how he was forced to dig his own grave at Huerfano County by State militia.

## STATEMENT MADE BY ANDREW COLNAR.

On November 27, 1913, I was in the Pryor tent colony, when I received word that one of my friends was working at Pryor. He wanted to quit work at Pryor and come down to the tent colony and join the union, but said he was afraid to do so because he had been scabbing. I wrote him a good, friendly letter and told him not to be afraid, that we would take him down to the tent colony, and promised him he would be treated just the same as the other brothers. I guaranteed him that there would be no trouble if he wanted to come down, and I signed my name to the letter and sent it to him by another man. He told the man, when he delivered the letter to him, that he did not want to go down—he was ashamed to. He said he was going to quit work and leave the State.

On November 28 two soldiers came to my house in the evening. I was out on the prairie, about 500 or 600 feet from my house, when they arrested me and told me to come with them. They took me to the Lester Midway mine, put handcuffs on me, and kept me in a soldier's room all night and had one soldier watch me. They asked me what religion I belonged to and I told them.

On the morning of November 29 Capt. Drake came into the jail and informed me that he wanted to give me a hearing. He asked me if I had written that letter, and I told him, "Yes, that I wrote it and signed my name to it." and he tried to make me write the same letter again, but I could not do it. I could not remember just what I said, but I wrote what I remembered. He got very angry and called me names because I could not remember it all, and he told me he was going to give me two weeks' time to write it.

On Saturday evening he took me in the jail. It looks like a cellar—dark and dirty. About 8 o'clock that evening I told the officer that I could not stand to sleep in that dirty place. He then took me back to the room where I was in the first night. He tied my hands and kept them tied all night and had a soldier with a bayonet watch me.

On the morning of November 30 they took me back to the jail, and they asked me how I felt. I said I felt all right, because the room I had slept in was better than the other room in the jail. He said, "Yes; I know you feel all right, but you will find out pretty soon what you are going to get." Between 8 and 9 o'clock on the last day of November one of the soldiers came to me and took me out of the house and gave me a pick and shovel. He took me out in the back yard about 30 or 40 feet from the house and showed me a space marked off on the ground about 2½ feet wide and 6 feet long, and he said, "You dig this hole 8 feet deep, and it must be done by noon." I started to dig, and just then two soldiers came around and asked me what I was digging, and I told them I did not know what it was. Two more soldiers came along, and one of them said to my guard, "What is that going to be? It looks like they are going to bury somebody in there." The guard who was watching me said, "Yes; the man who is digging the hole is going to be buried there. He is digging his own grave." I asked him if that was so, and he told me yes. After that some of them came along and they were talking between themselves. They were talking about what they were going to use—blankets or a coffin. Later on two soldiers came with an officer, and the officer said to my guard, "Take him out and bring him over there and put him in line with the other soldiers." He said, "Be ready," and he put me in the middle of the line, and the soldiers were practicing, and I thought they were going to shoot me. When the practicing was done he took me back to the jail. I was unable by that time to continue the digging, and he raised hell with me. He said, "Hurry up; this must be done by noon."

The soldiers' doctor then came along on horseback, and the guards said to him, "Doctor, will that be good enough?" The doctor said, "Yes; I guess it is all right." Another soldier came around and said, "Is that long enough?" Another one said, "Yes; it's 6 feet. He is not quite 6 feet." The other one said, "I guess it is all right," and some of them were talking about getting a priest. After awhile another soldier came without a gun or bayonet and my guard stopped him. He said, "Where are you going?" He told him he wanted to talk to that man, and my guard said, "You can't talk to that man." The soldier said, "I must; I have an order. I am going to talk to him in his own language." When he came close to the place where I was digging he asked me in the Polish language how I felt. I told him I did not feel very good, because the soldiers say I am digging my own grave. He said, "Yes; that is what I came over here to tell you. You are digging your own grave



and you are going to be shot to-morrow morning, the 1st of December." At that I dropped into the hole and the soldiers tried to make me dig again, but I could not do it. I was crying and asked him to give me a telephone and let me tell my wife and children good-by. He said, "Nothing doing." I then asked him if he wouldn't please give me a pencil and some paper and let me write a line to them before I died, and I was told I could not have it. A little before noon I was taken back to the dirty jail again, and they offered me a lunch, but I told them I did not want it. I said, "You just take that back, because I don't feel like eating in this kind of a time." He took it back and closed the door again and kept me there for a couple of hours. After that the officer opened the door, and when he saw me I had fallen down and was lying on the floor. He said to the other officer, "Is that fellow going crazy?" The other one said, "It looks like it."

After awhile Capt. Drake came to the office, called me out, and gave me a good lecture, and told me never to write any more letters. He said, "You go home, now, with your wife and children, and don't go out at all, because I will just give you five days. It may be after that I will come after you again." He then turned me loose.

Mr. DOYLE. Affidavit of John Moser, dated October 23, 1913, the mail carrier at Forbes, Colo., to be held up by mine guards in that county:

## AFFIDAVIT.

STATE OF COLORADO, *Las Animas County*, ss:

John Moser, first being duly sworn on oath, deposes and says:

First. That he is employed by the United States as a mail carrier, and is engaged in carrying the mail to and fro between Forbes Junction, Forbes, and Majestic.

Second. That Joe Moraskey is the postmaster in charge of the post office at Forbes, Colo.

Third. That S. G. Cox is employed as a deputy sheriff and guard at Forbes, Colo., and that for several days prior to October 23, and on said date, said S. G. Cox was acting as postmaster in charge of said post office.

Fourth. That on October 23, about 9.30 in the morning, while affiant was in the course of his employment as mail carrier at Forbes, said S. G. Cox pointed a loaded and cocked rifle at affiant and threatened to kill him.

Fifth. That said action of said S. G. Cox was wrongful, unlawful, and wholly without cause.

In witness whereof I have hereunto set my hand at Trinidad, Colo., this 23d day of October, A. D. 1913.

JOHN MOSER.

Subscribed and sworn to before me this 23d day of October, A. D. 1913.

[SEAL.]

LEON V. GRISWOLD, *Notary Public*.

My commission expires September 10, 1917.

Mr. DOYLE. Copy of a resolution passed by a few of the editors of papers in the State of Colorado, under date of November 13, pertaining to the settlement of the strike:

DENVER, COLO., *November 13, 1913.*

*To the people, the press of Colorado, the coal-mine owners, and the coal miners of the State:*

For the past two months a strike has existed in the coal-mining industry of Colorado. As a direct result of this strike human lives have been sacrificed, many thousands of laboring men thrown out of employment, property destroyed, business conditions have become depressed, the price of coal has been advanced, the reputation and credit of the State at home and abroad is being impaired, and the public at large is being made to suffer beyond accurate calculation. These unfortunate conditions are not in harmony with the peace, prosperity, and general welfare that is supposed to be guaranteed to all men and to all institutions alike under the Constitution of this State and of the United States.

For the purpose, therefore, of trying to arrive at a method of assisting in terminating this industrial conflict between the miners and the mine owners in

a manner which will be in accordance with the laws of Colorado, enacted to regulate the coal-mining industry, the newspapers of Colorado represented, acting on behalf of the general public, have met in Denver, and, after hearing the arguments and statements of representatives of the coal-mine owners, of the coal miners, of the United Mine Workers of America, and a statement from the governor of this State, and having given extensive consideration to each and every one of these statements, and having weighed their effect fully and carefully, the newspapers represented have agreed upon a general and united policy of action to be recommended to the press of Colorado with reference to the termination of this strike, based upon the authority of the existing State law.

Before stating our conclusions, we desire first to state the cause of the strike, viz, the demands made by the miners upon the coal-mine owners of Colorado, which are as follows:

The demands of the miners:

First. We demand recognition of the union.

Second. We demand a 10 per cent advance in wages on the tonnage rates and the following day-wage scale, which is practically in accord with the Wyoming day-wage scale.

Third. We demand an eight-hour day for all classes of labor in or around the coal mines and at coke ovens.

Fourth. We demand pay for all narrow work and dead work, which includes brushing, timbering, removing falls, handling impurities, etc.

Fifth. We demand checkweighmen at all mines, to be elected by the miners, without any interference by company officials in said election.

Sixth. We demand the right to trade in any store we please, and the right to choose our own boarding place and our own doctor.

Seventh. We demand the enforcement of the Colorado mining laws and the abolition of the notorious and criminal guard system which has prevailed in the mining camps of Colorado for many years.

First demand. Recognition of the union.

With reference to the first demand, we submit the following facts and conclusions:

The question of the official recognition of any labor organization or labor union by any employer or employers of labor is a question not reached or controlled by law, but must mutually be desired by both employer and employee to become a recognized reality. In other words, if employers do not desire to recognize a labor union as an organization in the employment of members of that union, there is no law upon the statute books which can or will compel them to do so.

We have come to the conclusion, therefore, that the first demand made by the miners is not one which can be arbitrated by any body of mediators, for the reason that, as stated above, it must be a matter mutually desired and agreed to by employer and employee.

However, so long as individual workmen in the employ of coal-mine owners desire to belong to the union they have a perfect right to do so. This right is guaranteed them by the laws of the State, and, therefore, this first demand for official recognition of the United Mine Workers of America, as such, should not be further pressed by the members of that organization in accepting a declaration on which this strike should now be terminated. However, the right of the miners to belong to a union under the authority of the laws of Colorado should be recognized and upheld, and should not be objected to by any employer of labor.

Second demand. A wage increase of 10 per cent.

Fourth demand. Additional pay for additional and varied work.

In our judgment, these two demands should be merged into a single demand, especially as both the second and fourth demands contemplate a higher net income in wages for the miners, and our conclusion is, therefore, that these demands should be consolidated and considered under one general proposition. With reference to this general wage demand, therefore, our conclusions are as follows:

The amount of money a miner can earn depends on the amount of work he can or is willing to perform. In a published advertisement over the name of the United Mine Workers of America, which recently appeared in the Denver newspapers, a statement was made to the effect that all the miners wanted was a living wage and the enforcement of the laws affecting the coal-mining industry.

The question very properly arises, therefore, as to what should be considered a living wage.

The average wage earned by the individual coal miners working in all parts of Colorado, as published in the advertisements of the coal-mine owners, we find to be approximately \$4 per day—practically \$105 per month—and working eight hours a day, or less if they choose. This is said to include the wages earned by good, bad, and indifferent miners.

The wages of some miners is said to run as low as \$2.25 per day, while other miners individually earn over \$7 per day.

A comparison of the average coal miner's wage for the entire State of \$4 per day with the wages earned by other classes of laboring men in Colorado who are equally skilled with a coal miner shows that if the average wages of all coal miners in Colorado is \$105 per month they are now being paid, in our belief, what has been referred to as a living wage; in fact, they are already being paid a wage entirely in keeping with the wages paid for other classes of labor in Colorado.

Therefore, taking the miners at their published word, we believe that their original demand for a 10 per cent increase over the present Colorado scale, and which is later modified in their advertisement to a demand for living wages, has already been met by the payment of the existing scale of wages for mining coal in this State, and which is higher in the net wages earned than in any other State. Therefore this, the second and fourth, demand upon the part of the United Mine Workers of America for living wages is now being given the miners by the coal-mine owners.

Third demand: Demand an eight-hour day for all classes of labor in and around the coal mines and at coke ovens.

This third demand is one which is guaranteed to miners employed in underground mines by the laws of Colorado. If the laws of this State have been disregarded in the employment of labor in the coal-mining industry, it is the duty of the governor to enforce this law, and in this he should be heartily supported.

Therefore our conclusion with reference to the third demand on the part of the miners employed in underground mines is that it should be guaranteed to them in accordance with the laws of this State.

Fifth demand: Checkweighmen at all mines.

This, the fifth demand, is another to which the miners are clearly entitled, and which is guaranteed to them under the law. If this law has not been enforced or if the miners have not taken advantage of their rights under it, it is the duty of the governor of Colorado to guarantee the enforcement of this law.

Sixth demand: The right to trade at any store.

This sixth demand also may or may not have been accorded the miners by the mine owners. It is a demand, however, which should be guaranteed to them, for the reason that the laws of Colorado provide that no coercion shall be practiced by any coal-mine owner against any miner in the buying of his household supplies. Therefore this sixth demand should also be guaranteed to the miners under the provisions of the laws relating thereto.

Seventh demand: General enforcement of Colorado mining laws, abolition of guard system.

This seventh and last demand upon the part of the miners is not open to discussion, so far as that portion of it which relates to a general enforcement of the Colorado mining laws is concerned, for, without question, the miners are entitled to receive the full benefit guaranteed to them under the mining laws of this State.

So far as the employment of police or mine guards is concerned, this practice during periods of peace is maintained solely as a matter of police protection against ordinary disturbances and against possible damages to property in times of petty brawls, which are of ordinary occurrence in many mining camps; and so long as these guards or police are maintained upon a company property for the purpose of preserving the peace and to protect that property there is no good or legal reason for their removal. With the exception of this portion of the last demand of the miners, our conclusion is that the seventh demand, for general enforcement of the mining laws of Colorado, is clearly right and should also be guaranteed to the miners by the full power of the laws of this State.

Therefore, after mature and careful consideration of all the factors in connection with this strike, we hereby make the following declaration:

That the strike which has prevailed in the coal-mining industry in Colorado should be called off under the following terms and conditions, viz:

First. That the miners should waive their first demand, which is for recognition of the union, on the ground that the recognition of any union must necessarily be a matter of mutual agreement and not of coercion, and not being covered by any law; and for the additional reason that the laws of Colorado guarantee to every miner the right to belong individually to any labor organization without prejudice or discrimination on the part of any employer of labor.

Second. That the miners should waive their second and fourth demands for an increase in wages, not only for the reason that the wages now paid to coal miners in this State are larger than in most other States, and are as large as paid in most other lines of industry in Colorado, but also for the reason that the modified demands of the miners, as published in the newspapers, asking for living wages, are, in our opinion, already met, being paid by them in cash, twice each month, by the coal-mine owners.

Third. That the miners are entitled to have granted their demands, in accordance with the laws relating thereto, designated as follows:

Third demand: For an eight-hour workday in all coal mines.

Fifth demand: For a checkweighman in all mines where they ask, to be selected from among the miners by the miners, to be paid by them, and without interference upon the part of the operators.

Sixth demand: The right to trade at any store.

Seventh demand: The demand for the enforcement of all laws relating to the coal-mining industry.

Also, that all competent striking miners who have not been guilty of violations of the law while on strike should be taken back by the coal-mine owners without prejudice.

Also, that any coal-mine owner has a legal right to employ any person without interference or threats upon the part of any other person or organization, as provided by law.

Also, that we declare it to be the duty of the governor of this State to compel the enforcement of the State mining laws, to which we pledge our earnest support and cooperation; and that, to obtain for the miners every right to which they are entitled under the law, the rigid enforcement of the State laws is alone necessary.

We commend Gov. Ammons for sending troops into one disturbed district of the State, and express our full confidence in the integrity of his purposes respecting the unfortunate industrial strike that exists there. However, we believe that troops should be adequate in number to become sole protectors of life and property in sections of the State where such strife exists or is threatened, and that the National Guard should be recruited to meet conditions as they may arise. That in our opinion that until such time as the National Guard may safely be withdrawn from the affected districts and law and order restored that all offenses and violations of law pertaining to the strike should be immediately tried before military courts.

We further request the governor to take such action as will prevent the importations of firearms into this State by any individual or any organization, because we believe that no one has a right to bear arms here except those legally authorized to do so under the laws of the State of Colorado.

Thus it will be seen that we have found in favor of the miners in four of the six general demands they have made and have recognized their right to work as a union.

That in declining to side with the miners in the other two demands, as stated, we have concluded that the miners are already receiving living wages, and have, at the same time, found for the miners in their first demand by insisting that one of the conditions under which this strike is to be called off is that all competent miners shall have guaranteed to them under the provisions of the laws of the State the right to belong to any organization without prejudice or discrimination on the part of any employer, which means their right to work as union miners on the open-shop plan.

Therefore, in the interest of the miners, of the coal-mine owners, and of the general public, we hereby declare that this strike should be called off under the conditions stated above, in order to insure the future developments of the coal-mining industry of Colorado and the peace and prosperity of its people.

In the carrying out of this policy by the governor of this State, we pledge the support of the editors and papers here represented and ask for the cooperation of all our fellow editors in Colorado, who could not conveniently come to this conference, in support of such policy.

Also that a copy of this declaration be furnished to the officials of the United Mine Workers of America, a copy to the coal mine owners, a copy to the governor of Colorado, and that copies be sent to the press of this State for the purpose of advising the people concerning what we believe to be a just and fair declaration under the terms of which this strike should now be immediately called off and industrial peace restored, and that we pledge ourselves to support this declaration, based on law enforcement, in the editorial columns of our newspapers.

JOHN C. SHAFFER.  
FRANK S. HOAG.  
H. E. BOWDEN.  
L. C. PADDOCK.  
FRED MARVIN.

Mr. DOYLE. Answer to same under date of November 15, by policy committee of the United Mine Workers:

DENVER, COLO., November 15, 1916.

GENTLEMEN: A copy of the resolution passed by 11 of the 331 editors of the State, 14 of whom were present at your meeting held in the Brown Palace Hotel, Denver, Colo., November 13, 1913, was handed to us, to-day, at 5.23 p. m., by Mr. H. E. Bowden, one of the gentlemen who has signed his name as a member of the committee appointed to draw up this resolution.

Your entire recommendation consists of advising the miners to accept the same conditions that have existed in the coal mines of Colorado for the last 10 years, and against which they were compelled to strike.

Since you have been charitable enough to admit that our strike is justifiable, in so far as four of the seven demands are concerned, namely: The right to have the mining laws enforced; the right to trade at any store; the right to choose our own doctor and board where we see fit; the right to have a checkweighman and the right to belong to the union of our choice. Inasmuch as these are State laws that have been violated by the operators for years, we feel grateful to you for your generosity.

In speaking of the demand for an increase in wages, you say: "The amount of money a miner can earn depends on the amount of work he can or is willing to perform." The inference that miners are not willing to work, we consider an insult to their intelligence, and is an indication that it came from a prejudiced mind. You state the average wage of a coal miner is approximately \$4 a day. If this be true, why are we compelled to strike for a day wage of \$3.45?

You also maintain that the wages paid to coal miners in Colorado are larger than in most other States. With very little effort you could have learned that the Wyoming day wage scale is from \$3.30 per day, minimum, to \$4 per day, and the cost of living in the two States is practically the same. You should at least make an attempt to be fair.

Upon the question of reorganization of the union, it seems to us that you are entirely ignorant of the absolute necessity of the miners' union being recognized if the laws of the State are to be enforced, to say nothing of the settling of grievances arising in or around the mines. This, we think, was made clear to you by the miners who made their statement before your meeting, and whose testimony was evidently disregarded, for, had it not been, surely you would have attempted to offer some excuse for not considering it.

Let the public look at the names of the editors appointed by the chairman to draft the resolution, and it can be readily seen why it fails to recognize the miners' rights. Frank S. Hoag, of the Pueblo Star; H. E. Bowden, of the Trinidad Advertiser; L. C. Paddock of the Boulder Camera; Fred Marvin, of the Pueblo Chieftain, are editors of papers that have bitterly opposed the miners' union ever since the strike was called. Therefore, on behalf of the Colorado coal miners, we positively refuse to consider your proposition.

FRANK J. HAYES,  
JOHN R. LAWSON,  
JOHN MCLENNAN,  
E. L. DOYLE,

*Policy Committee Representing District 15, Mine Workers.*

Mr. DOYLE. Summary of the Whitford impeachment evidence introduced by president and secretary of the Colorado State Federation of Labor:

*To all whom it may concern:*

Below is a summarized statement of the proceedings in the matter of the impeachment of Greeley W. Whitford.

On the 30th day of January, 1911, John McLennan, under his constitutional right as a citizen of the State of Colorado, filed his petition with the house of representatives, charging, among other things, that Greeley Whitford had "been guilty of oppression in office" and that he had been guilty of "conduct unbecoming a judge and such as to bring shame and disgrace upon the high office which he holds."

On the 6th day of February, 1911, the committee of the legislature, consisting of A. P. Audourel, chairman; H. A. McIntyre, of Pueblo; Newton, of Grand Junction; Hollenbeck, of Salida; and Bacon, of Cripple Creek, had its first meeting and began to take testimony on the charges filed.

Seventeen sessions of the committee were had, at which testimony both for and against Whitford was heard. Alexander M. Smith represented the petitioner and the Colorado State Federation of Labor at these hearings, with the exception of one day, when James J. Sullivan appeared for the petitioner on account of the absence of the regular attorney.

The respondent, Whitford, was represented by Messrs. Henry J. Hersey and Ralph Talbot in the early stages of the proceedings, Talbot being succeeded later on by Mr. E. C. Stimson. The petitioner, John McLennan, attended all the sessions of the committee, but the respondent, Greeley W. Whitford, never appeared or testified either in person or by affidavit.

#### THE EVIDENCE.

The evidence upon the matters contained in the memorial addressed to the house of representatives was most thorough and conclusive. Upon the charges of "oppression in office," the petitioner, McLennan, called as witnesses Dr. John E. Canning, a dentist, with offices in Denver, and Henry A. Hicks, formerly county judge of Gilpin County, and now a practicing attorney of Denver.

It appeared from this evidence that in the spring of 1910 one John E. Canning was committed to the county jail for the nonpayment of alimony to his first wife. After being separated and divorced from his first wife for two years, he married a young girl about 20 years of age, of good family. While Dr. Canning was in the county jail he was called at night by a voice over the phone, which promised the man his liberty provided he would come into court the next morning and have his second wife give up her diamond rings, but in no event was he or she to have their attorneys present.

Judge Hicks supported this statement with the testimony that the second wife did give up her rings, and that he, as her attorney, was not permitted to be present.

Charles O. Erbaugh testified that he was informed against for wrongfully obtaining the sum of \$3.40. Whitford, while district attorney, had bitterly prosecuted Erbaugh, but Erbaugh was found not guilty. Whitford, then, as judge, sat in the subsequent trial of Erbaugh, after affidavits of respectable people had been filed as to Whitford's prejudice. Whitford ignored these affidavits, and sentenced Erbaugh to seven years at hard labor in the penitentiary for the \$3.40.

#### THE MINERS' CASE.

Judge Whitford, on the 23d day of November, 1910, took jurisdiction of matters in Boulder County, overruling the miners' motion for a change of venue, and on a contempt charge sentenced 16 miners to the county jail for a period of one year. There was no evidence to show any guilt upon the part of a great number of these men. As to one of them, if the evidence against him was to be admitted as true, he only swore at a pit boss across the public road, and for this he received one year.

One of them was conclusively shown to have taken no part in the transaction at all, and he was given a similar sentence by Whitford. One of them showed that he had a new-born babe and that he could not have been present; another that he was at home both day and night with a sick baby and could not have been present.

One of the miners was shown to have been in the office of the justice of the peace at Lafayette, assisting to interpret the wants of a fellow country woman before the justice, and that he could not have been present.

The mothers, wives, and sisters of these men testified, but they received the uniform sentence of one year each.

#### IMMORAL CONDUCT OF WHITFORD.

In the hearing before the legislative committee, Ralph Talbot defied the petitioner, McLennan, to show by a respectable witness that Whitford had been guilty of immoral conduct, saying that if it were shown that he, Talbot, would withdraw from Whitford's defense and demand his impeachment before the house of representatives. McLennan called H. P. Gumaer, a highly respectable witness, who testified to having seen Whitford on Market Street at the hour of 1 o'clock in the morning with his arm around a prostitute. Both Whitford and the woman were in a drunken condition.

#### THE WEINBERGER INCIDENT.

Testimony was given before the committee to the effect that one Maurice Weinberger was charged in the West Side court, of which Greeley W. Whitford was the judge. Whitford visited the saloon of Weinberger while his case was pending in the West Side court and talked to Weinberger about the case.

#### CHARGES OF INFLUENCE USED ON WHITFORD.

John I. Mullins testified that before the conviction of the 16 miners, James H. Blood was seen in the private hours prior to the sentencing of the miners; five deputy sheriffs had to come to the court room for the purpose of taking the prisoners to jail. The evidence on behalf of the miners was not even concluded and the arguments of the lawyers had not been made. The judgment was therefore anticipated in advance and the sheriff's office notified to have the deputies ready there.

James H. Blood, counsel for the coal companies for years, testified under cross-examination that he didn't know whether the Northern Coal & Coke Co. was paying for Whitford's defense or not.

#### ARGUMENTS OF COUNSEL.

The case was argued before the legislative committee by John C. Lewis and Alexander M. Smith for the Colorado State Federation of Labor and by Henry J. Hersey and Edward C. Stimson for Whitford.

#### FINDINGS OF COMMITTEE.

A. P. Audurel, of Boulder County, recommended that Whitford be by the house of representatives impeached and tried before the Senate of Colorado.

H. A. McIntyre, of Pueblo, made a report recommending that the house of representatives censure Whitford for his actions as district judge of Colorado.

Hollenbeck, of Chaffee; Newton, of Mesa; and Bacon, of Teller County, recommended the exoneration of Whitford.

#### ACTS OF INTIMIDATION.

Various acts of intimidation have been resorted to by those representing Whitford and the office of the district attorney in Denver, who has openly allied himself with the Pinkerton Detective Agency and the Northern Coal & Coke Co. Threats charging conspiracy have been made and given to the public press. Pinkerton detectives have trailed Alex M. Smith, the attorney, to his office and about the city, even going out of the city with him when he went on professional business for his clients. They have shadowed his house in the evenings and on Sundays in an effort to intimidate him and his wife and child. To all this the district attorney, who has been in conference with the attorneys for the coal company, and E. E. Prettyman, of the Pinkerton Detective Agency, has apparently lent his encouragement and assistance. We submit that now for the American people and the citizens of Denver to prepare to do battle with such

officials at the polls and to eliminate them from public life and positions of honor and trust in the great State of Colorado.

Respectfully submitted.

THE COLORADO STATE FEDERATION OF LABOR,  
By \_\_\_\_\_, *President*.

Attest:

\_\_\_\_\_, *Secretary*.

Mr. DOYLE. Extract of evidence of ex-Sheriff M. P. Capp, of Boulder County, given before congressional committee investigation, showing attempt of certain parties in the interest of the coal operators to bribe him to use his office in the interest of coal companies:

M. P. Capp, ex-sheriff of Boulder County: My name is M. P. Capp. I live at Boulder. Have resided there nearly nine years, and have been sheriff of Boulder County for four years. My term of office expired this last January.

I am acquainted with Mr. G. M. Williams, formerly clerk of the district court up there. I understand that in the year 1910 he was the secretary of the mine operators' association. He spoke to me concerning a coming strike. This was before the strike occurred. It was some time before the strike started, on Monday or Tuesday. It was some time during the week prior to that. He said, "It looks as though we might have a strike," and he said that some of the other operators or representatives had spoken to him as to what my attitude would be in case they had a strike, and whether or not I would be fair—how I would stand on the matter. And that, as near as I can recollect, was some time during the week before the strike was actually called.

I knew a man by the name of Al. Baker. He held a position with the Northern Coal & Coke Co. shortly after the beginning of the strike. Had charge of the guards, as I understand it. I had a conversation with him about two months after. It was the last of May, the 30th day of May, 1910, at Superior. He called me up on Saturday afternoon. I do not know just what time it was, possibly 5 or 6 o'clock, and wanted to know where he could see me Monday. He spoke about my coming to Superior. I told him I would come down if he wanted to see me. I went down. He met me there. We went up on the hillside near the Industrial mine. He said, "You know the operators don't care anything for you or I, only what we are worth to them." And he said, "You know that the union men don't care anything for us, only what we are worth to them. I want to talk to you and tell you what you can do. You can get some money out of this thing." He said, "The operators say they will spend a million dollars to break this strike. Why don't you get some of it? You can get it as well as not." I said, "How?" He said, "They want some deputies. Wanted them bad and were willing to pay for them." That he could get a job out of it too, and I wanted to know what I would get per day for the deputies that I would appoint. He said, "They want a lot of deputies, and you can get a piece of money out of this thing. You can get 75 cents per day for all the deputies hired, and you can stay in the office." He said, "They could use 400," and told me how much money could be made out of the proposition. I asked how long it would take to break the strike, and he said 30 days. I said that would not near amount to what he was talking about, and he said, "You can get a dollar." I said, "Do you know about this," and he said "Yes; I know it can be done." He told me I could get some money besides that; that Mr. Struby and Mr. Blood would be out on the next car. I stayed there until the next car came. Mr. Struby and Mr. Blood came out to where we were. They invited me to go over the district with them in an automobile. They never said anything about it themselves at all. I told Baker that if it was right to go into it in that way, it was not right to charge them money for it and it would not be right anyway, and I left it just about that way. That is about the sum and substance of the conversation.

(Conversations.)

I have a record of arrests made by deputies and myself for the years 1910 and 1911 and 1912 growing out of the strike. I missed the record of some of the arrests where six or eight people would be taken up, and where on investigation, would be found only two or three to be connected with it. They would all be turned loose, but the record of all that went into court at all I have. I tried to get it complete, but I find it is not entirely so.

(Conversation.)



Q. Give the number of arrests growing out of the strike for the year 1910 and the year 1911.—A. One hundred and forty-three that I have any actual record of, cases that were actually handled and some disposition made of them in court.

Q. What number of those were union men?—A. About one-fourth or one-fifth. I have 296 all told that I could connect with these strikes more or less, and there were 30 of them union men that were brought to Denver and 33 union men that were handled in court over there. That would be 63 out of 296, and possibly some scattered ones, before 1912, that I did not separate. The rest were nonunion men.

For 1912, there were 77 nonunion men arrested; 33 union men. Besides there were 26 arrested at the Brooks-Harrison mine, of which we handled 12 in court; 77 nonunion men in all.

I think six or seven men have lost their lives on account of the strike. As near as I can recollect, on August 31, 1910, there was a killing near the Senator mine between two nonunion men. April 5, 1911, there was a union man killed by four Mexicans, nonunion. April 22, Deputy Sheriff Hockaday shot a nonunion man at Superior. May 7, 1911, a Mexican shot another Mexican on the hillside at the Capital mine, both nonunion. February, 1911, Gunn died in the hospital in Denver from wounds received on the streets at Louisville. He was nonunion. November 28, 1911, Searcy was shot at Superior. December 19, 1911, William Bashford, a mine guard at the Monarch, was shot and killed by Billy Adams, a nonunion man. And there might have been one or two more, but I think that is all.

There was a man found in Lafayette unconscious. We never knew who he was, apparently had been beaten; we never did find out how it happened. I think that is all. I have been inside of the inclosures at the mines at different times.

Q. State generally the character of the men that were brought in there?—A. Well, we have taken out a good many people for officers of other States and for officers of Denver; that is, men being accused of different crimes. It seems as though a great many of them were looking for trouble all the time. I will say that they were a class of people that have a great deal of trouble. A great many of them were arrested for different offenses, everything from common offenses up to murder. Don't know anything about their past histories only the ones I took for the different States that were accused of crimes and were fugitives from justice.

The lists of arrests given include arrests on warrants from justice courts, and in the killings the men were arrested and attempts were made to fix the blame. The first case, this man Cedar, we never did find him. We knew nothing of this killing for some little while; we never found him. I got pictures of him that were made here before they sent him to the penitentiary.

In the case of the Mexican, the guard told me he had the Mexican that cut his fellow up. I told him I could get there in 30 or 40 minutes, and when I got there I didn't get the fellow. In the case at Lafayette, we got the four Mexicans. The killing at Superior by the city marshal, I arrested him myself. The killing of Bashford by Billy Adams, he gave himself up to one of my deputies. At the time Mr. Hockaday shot Grover Mills, Hockaday was taken in on a stretcher. Mr. Hockaday was never arrested. At the inquest it was found that he was justified. They were all arrested, as far as we could get them. Those two men got away.

Q. Did any of these killings take place inside the fence around the mine?—A. At the Capital mine there was not any fence there. Never has been. It was at a camp down on the hillside that the Mexicans were stabbed, and at the Standard mine it was just outside the inclosure at a camp there. At the Monarch mine it happened in their grounds, but there is no inclosure there, and, of course, the other two were at the depot. Not all of them have these stockades. None of the killings happened inside of the stockades. These others that I speak of were at the mine proper. They were not in any inclosure or any stockade.

Q. Would the operators give you any assistance in arresting nonunion men?—A. We never got any assistance from them. If we tried to arrest the men inside the stockade we had to show our warrant at the gate before we could get in. We could not get in with a John Doe warrant; we had to have the names of the men.

The guards were acquainted with me and my deputies.

Mr. DOYLE. Form of report on people employed, discharged, and leaving, generally used by the Evans Coal & Land Co. by one of their employees:

THE CONDITIONS OF THE COAL STRIKE IN THE NORTHERN COLORADO COAL FIELDS  
AS I FOUND THEM WITHIN THE BULL PENS OF THE ROCKY MOUNTAIN FUEL CO.

While there have been a great many writings on the strike situation in northern Colorado, there has been nothing heard from one who has worked inside the bull pens for two years.

I started to work in the month of December, 1910, in the northern coal fields as a mine guard; or, in other words, scab herder at the Monarch mine, No. 1, of the National Fuel Co., at Downer, of all the guards who looked after the boarding houses and imported men to all the mines of the National Fuel Co.

After leaving southern Colorado I met the head guard, Hall, in Denver, on Market Street, between Seventeenth and Eighteenth Streets, at one of the employment agencies; being out of work, Mr. Hall approached me and asked me if I wanted to go to work; never having scabbed before, I hesitated when he mentioned the location. I saw him several days in succession; each time he urged me to take a position as guard at \$3 per day and board. I finally consented to go, and Mr. Hall gave his brother, Orn. Hall, and me a transportation to the mine at Downer, Colo.

It seems that the Baldwin-Felts people, who had charge of the mine guards, had lost their contract with the National Fuel Co., and the guard work had been given to Mr. Hall just prior to the time I went there.

The Baldwin-Felts people did little but gamble—shooting craps, etc.—as I found out from Mr. Zook, mine superintendent at that time. He told me the guards would come on duty in the evening, and as soon as the men who were working in the mine had eaten supper, the guards would gather in the engine house of the mine and gamble until 1 and 2 o'clock in the morning. I want to say in fairness to Mr. Zook that he tried to stop it, but the camp being under the jurisdiction of the Baldwin-Felts people he could do little. The public knows what the Baldwin-Felts people are and what kind of a detective agency they run; ex-convicts and murderers are employed as guards, and the class they import as strikebreakers are worse than a cankerous growth on God's green earth; but it is this class that such a company as the Rocky Mountain Fuel Co. and others hire as the main tool to hire small tools to break up union labor.

To get back to the point of the conditions at the mine and camp, I found that the majority of the inmates of the camp were the low type of Bulgarians and Greeks, and a few English-speaking people. I think there were about 250 people in the camp at that time; about 20 per cent were English speaking. I found in some of the four-room houses as many as 25 people living and sleeping, among them being one to three women and some small children. The custom of the Bulgarian was to take as many boarders as he could crowd in with his family. I have seen as many as five beds in one room 12 by 14 in size, and the men wash and change clothes in these houses, as the wash house at Monarch mine, No. 1, was reserved for the men staying at the boarding house. Any intelligent person can imagine the fumes arising in a small room from cooking, steaming, soap water, and sweaty mine clothing.

A coal miner's work is dirty, yet in the homes of the better class of miners you will not find a cleaner set of working people anywhere, as he takes his bath every night and completely changes clothes from head to foot; but among the class that have been imported to northern Colorado I found the most insanitary conditions prevailing.

At the Downer camp there was no school at that time. There was one store, owned by the company, and the people had to trade there; the cost of living being about 40 per cent higher than in Denver or Boulder. They have what is known as the coupon book; when one gets an order at the mine office and takes the order to the store he gets a coupon book; if he needs any cash between pay days, as most do, he could get a coupon cashed for 75 cents on the dollar at the store. I know this to be a fact, as I was short of cash one time. I had several coupons cashed. I found that the men were getting 300 to 500 pounds short weight to the car, compared to the time when there was a checkweighman of the United Mine Workers of America there.

The houses at this camp are simply shacks, as the company does not keep them in repair; the plaster had fallen off the houses that had been plastered, and the ceiling boards were broken and torn off the boarded ones; the glass

was broken out of many of them, and all were generally run down. But a splendid fireproof barn was put up for the company's teams and the grain. You know mules and feed cost the company money, but men—well, human lives are cheap.

I stayed at the Monarch mine about five weeks, as I found out after living there a few days that instead of \$3 and board we were getting only \$2.50 and board, because 12 had night work.

My family being in Denver and there not being an empty house in the camp, I quit there and went to the Industrial mine of the Northern Coal & Coke Co. at Superior, Colo.; the Northern Coal & Coke Co., not having sold out to the Rocky Mountain Fuel Co. at that time, Mr. F. J. T. McCormack was superintendent. I lived in the town of Superior for about a year, not moving inside the stockade until about the 4th of December, 1911; I will say right here that there was union men all around me and I was never insulted or bothered all the time I lived in the town of Superior and went to the mine one-half mile away through groups of union miners and was never molested.

I started to work in the mine as a miner, conditions at that time not being as bad as they became later; I was on pillar work, and having worked in the northern coal fields before as a union miner, I found that we were being robbed of about 500 pounds of coal to the car, the same or worse than I found at Monarch mine, No. 1; I found there was a great loss of cars to me through such as my check being taken off, and someone else putting their check on; to explain to those who do not know, each miner has a check number and when he starts as a miner or loader the weigh-boss gives him several iron checks, each stamped with a number; he hangs a check on each car he loads, and when his car reaches the top and is dumped, the dumper takes the check off and gives it to the weigh boss, who then marks the weight of the coal on the bulletin under his number; so it is easy to lose his cars because when they leave the place and are pulled to the parting, anyone can take his check off and put their own on and thereby receive credit for the loaded car. I lost nine cars one week and reported the matter to William Green, pit boss, and also to Pat Kilker, the weigh boss; they said they could do nothing; then I told Mr. McCormack, the superintendent, and he said he knew there was lots of stealing going on in the mine, but he could not prevent it; I suggested that he put the check hook on the inside of car as is done at several other mines, where it would not be so handy for those stealing cars, but he said it was too much bother for the dumper to take the check from the inside; of course it is no trouble for a miner to dig and load a 2,000 to 2,700 pound car of coal and then have some contemptible thief get his car. You may ask were these hooks not on the outside of car when the mine was being worked by union labor; yes; but there is a fine for the first offense and for second offense there is immediate discharge and loss of union card. Does the company discharge for that now? No; because I know of one case in particular where Mr. McCormack knew that a party had been stealing cars, but did he discharge the man? No; all he did was to take the number off of the thief's car and place it on the car of the loader.

If a man was heard to say he believed in unions or was in sympathy with them, he was immediately discharged and ordered out of the camp and sometimes beaten by the guards; this is true, as I have seen it done.

One guard named Tim Harvey, who was captain of the guards at the Industrial mine, was known as a notorious gunman, and was imported to the northern coal fields by the Baldwin-Felts people. Harvey had been a guard at Lead, S. Dak., and had earned a reputation of being a bad gunman and strike breaker, and it was such as he that was put in charge of the "bull-pens" to intimidate the men and women.

Life inside these places was almost as bad as being in prison; the gates were closed at 9 o'clock at night, and the order was to be in camp at that time; if one was out later than that, it was up to the jurisdiction of the guard on duty whether you could come inside or not; the guards at the mines were not invested with police power to commission of any kind, and yet they took on themselves, with the backing of the coal company, the authority of an officer of the law, and because they knew the company's money would come to the rescue; did things officers of the law would not do.

I started as mine guard at the Industrial mine on the night of November 29, 1911; during the previous night a nonunion miner was shot and killed by the night marshal of Superior; the facts developed at the trial were, that a non-union man named Dude Searcy had quarreled with the union men of Superior,

and told them he would meet them at the depot that night and kill one of them before daylight; Night Marshal De Andy went to the depot as he had been doing for months past to meet the interurban cars; Dude Searcy was there also with his two brothers, Elmer and Jim; Dude started a dispute with the night marshal and pulled his gun; the marshal then pulled his gun and shot Searcy. The marshal was found not guilty, as he had killed Searcy in self defense; Searcy was found to be a fugitive from justice, having been picked up by one of the men who had been sent to Kentucky to import men; Searcy was then hearing from the sheriff of Kentucky. Most of the camps are made up of these kind of people.

After the shooting, the company hired two more guards, namely, Frank Cummings and myself. Not caring to have my family in the town of Superior, I moved inside the stockade, or bull pen; I then began to see what the life of a scab was like in reality; we had to deal at the company's store, the same system being in vogue at the Monarch mine in regard to the coupon book, but the prices were even higher than at the Monarch mine. The company's store is known as the State Mercantile Co., and is owned and operated by the Rocky Mountain Fuel Co., said company having taken over the northern mines in November in the year 1911. If one refused to trade at the company's store, he would be discharged; a few people of the camp bought some groceries and dry goods in Denver, but had to steal them in, under cover of a trunk or suit case, and the guards had strict orders not to allow any peddler or vegetable men in the camp; in fact, anyone who had anything to sell that the company's store could supply, was refused admittance. The orders were given to us by Supt. McCormack, and we had to obey them.

Just a few weeks prior to the time I started to work as guard at the Industrial mine, the town board of Superior had taken the saloon license away from P. J. Keer on account of the trouble caused by the nonunion men in his place of business; these men would leave the stockade in groups and go to Keer's saloon, get drunk, and start back to the bull pen shooting, yelling, and cussing; it was almost impossible for the marshal and Sheriff Capp's deputies to do anything, and I want to say that Sheriff Capp should be highly commended for the way he handles the situation; if a nonunion man was arrested, he was taken before Supt. McCormack, and imprisoned or fined—McCormack was and still is the justice of the peace, also humane officer.

When the saloon was closed there was no trouble to speak of in Superior, but Mr. Keer bought a saloon in Marshal, because by doing so he could obtain a wholesale license which gave him the right to sell liquor in the camp; I have seen his wagon make five and six trips in one day carrying liquor.

Mr. Keer would allow a man as much liquor as he wanted provided he had money coming to him from the company's office, as it would be held out of his pay; I know a number of men who never drew a dollar on payday; all their money went for board and liquor.

At this time there were about 65 Bulgarians and Greeks, and about 100 Americans and Austrians in the camps; beer and whisky were sold in the camp without a license; men and women lived in polygamy, and Justice McCormack knew it.

About four months before I left, we had a new head guard, a man by the name of Robert Boykin, exconvict sent from Denver for robbery, murderer of the man who was killed sometime ago on Larimer Street; the same man herded scabs at Lead, S. Dak., and went to old Mexico with an expedition—but in reality to rob the churches as he told me; he was also known as the gambler. This is the character who was appointed as head guard of the camp.

Robert Boykin ran a poker game in his own home at the Industrial mine, and I have seen from 10 to 25 men in the bathhouse shooting craps from Saturday night until Sunday night, and poker games were being played in nearly all the batch shanties. Liquor was sold week days and Sundays. It was a common occurrence for a man to beat his wife. The guards would beat men with their guns. I have witnessed a man being kicked out of the mine office because of a mistake in his statement, said mistake being in favor of the company. I have seen a family—man, wife, and baby in arms—put out of the camp with but \$3, and had to leave their furniture. Men were put out of camp for talking unionism. Vegetable peddlers were beat up for trying to find sale for their goods in the camp. A man had to borrow money to bury his dead baby, his money being tied up in the company's office unlawfully by Supt. McCormack. Men were urged by the guards to "smoke up" the union men's houses; one case I remember in particular, where a nonunion miner shot through the house of

Casper Langegger with a 30-30 high-power rifle, he being furnished a gun and ammunition by Head Guard Jim Harvey. Harvey would tell the men to shoot through the guardhouse and blame the union men for it. These things were not unknown to Humane Officer, Superintendent, and Justice of the Peace McCormack.

I left the employ of the Rocky Mountain Fuel Co. in August, 1912, and since that time a number of the better class of people have left, conditions being so bad that they could not make a living.

God help you men of northern Colorado if you lose this strike and the company runs their mines "open shop"; you will lose your homes and will be worse than in peonage; you will have to live in the company's houses, having insanitary conditions, and pay high rents for same; you will have to trade at the company's stores; you will be owned body and soul by the company. You have put up a grand fight, and you will win if you stick, and the people of this great State will give you aid and sympathy, because you are fighting for what is right.

And you poor deluded scabs, why don't you get right while there is yet time to do so? You know you will have to go when the union wins their great fight, and win they will, because those in the right always win; it is only a question of time until the coal companies of the northern fields are through with you, and you will be thrown aside as a tool they have no more use for; you have seen it done in the past, and it will be done in the future. Will the company care whether you have a dollar or not? No. You and your families will have to go. You have seen how the companies kept their promise; you have seen men killed in the mine. Did the Rocky Mountain Fuel Co. bury them? Yes; but you paid the funeral expenses by taking up a subscription among yourselves and paid exorbitant prices for the same. Who had charge of these funerals? Was it the superintendent at the mine who paid it? Was it the company? No; it was you.

Can you get \$1 of credit at the company stores if you do not have it in the office? No; you can not, and you know it. Then, don't you think it is time to help put your shoulder to the wheel and help make conditions better for yourselves and families and the coming generation, and not stay in slavery and put another there. I appeal to your manhood, if you have any, to help in this great fight. You know there is nothing on earth as contemptible as a scab; you still have time to get right: why not do it?

I have written this without compensation of any kind, because I want to try, in my crude way, to put before the people the true facts as I have heard them inside the "bull pen" and try and undo some of the wrongs I did while a scab, and to show the public the class that the companies have imported to take the place of men and women who are citizens of Colorado and who have by their hard work made homes for themselves and families. I believe it is due to organized labor to show these facts as I have found them.

CHARLES SNYDER.

(I have original.)

Mr. DOYLE. Form of report on people employed, discharged, and leaving generally used by the Evans Coal & Land Co. They were used pretty generally in the State, showing the effort to keep track of people:

EVANS COAL & LAND CO.,  
Frederick, Colo., February 12, 1912.

*Report on people employed, discharged, and leaving.*

[Evans mine, Feb. 12, 1912.]

[illegible]

*Report on people employed, discharged, and leaving—Continued.*

## DISCHARGED.

Name.	Register No.	Age.	Nationality.	Reason.	Indebtedness.

## LEFT.

Name.	Register No.	Age.	Nationality.	Reason.	Indebtedness.

WILL FOX, *Superintendent.*

Mr. DOYLE. Statement pertaining to the methods used in the election in Huerfano County:

Voes in Huerfano tell of card system and holes in ballots. In the Walsen mine precinct, when some of the colored people came in to vote, the election judges would announce the names and hand them a ballot; this same thing occurred in practically all the nonunion camps; in Checo precinct, near Walsenburg, a Mexican woman came in and announced her name, and one of the judges told her that was not her name, and she voted under the name that the judge told her was her right name. In primary elections the printer scratches the dies which print the black spot on the ballot so that the judges are always able to tell whether a person votes on a Republican, Democratic, or Progressive ballot. Then the companies know who to work on before election day; if they are weak they can sway them the way they want them, and if they refuse to promise to vote the way the companies want them, they can fire them before election day and force them to move out of the precinct, so they will have no vote coming.

Mr. DOYLE. One statement and two letters pertaining to school tax, being checked off from the miners and not accounted for to the State superintendent of schools:

*Statement of work done for the Alliance Coal Co., by Robert F. Lockhart, at Reliance mine, during month of August, 1912.*

Deductions.	Earnings.
Smithing.....	Tons at.....
Doctor..... \$1.00	Cars at.....
Collection, school..... .25	10 days, at \$3.15..... \$31.50
Hospital..... .50	Days at.....
Rent.....	Yards at.....
Orders.....	Yards at.....
Cash or check.....	Yards at.....
Board.....	Room turnings at.....
Powder and squibs.....	Coal checks.....
Coal.....	
Coal check.....	Total earnings..... \$31.50
Subscription.....	Less total deductions..... 1.75
Total deductions..... \$1.75	Balance due..... 29.75

LA VETA, COLO., *October 16, 1912.*

MY DEAR FRIEND: I inclose my statement to show you that this school tax is no fake mind you if a man has 2 or more boys working the tax is the same 25 cts. each the doctor attends to the Railroad men for 50 cts. each but mind you he is also County Coroner with the usual verdict you no what that is we don' no where their are any hospital eather it is nothing more than a graft pure and simple.

Mr. Editor: The Kindom of Huerfano is going to make one of the greatest fights of its life to try and elect the Republican ticket as they see the hand writing on the wall the C. F. & I. and other coal co. is turning all their forces in Huerfano and Las Animas Countys as they see they are beat in all other Counties James B. Dick is not so strong as they thought with Park for Governor if you remember I. B. Dick was one of the senators that put Peabody in office over Adams and they are leaving no stone unturnd to try and elect them so we will just do the best we can to deport them if their are an honest count of ballots they are beet and they no it well.

From an old timer

ROBT. F. LOCKHART,  
La Veta, Colo.

I hiipe to be able to see you when you get down here.

R. F.

Don't show the name on the statement without you have to.

R. F.

LA VETA, COLO., November 29, 1912.

MR. JAMES DUCE, *Denver, Colo.*

MY DEAR FRIEND: Your note of some time ago received would have answered it but I have been away trying to get something to do but failed as yet. Well I am about the school Tax the oakdale Coal Co. headquarters in Denver J. D. Jones Gen'l Mgr. 25 cts. from each empty in and around the mine school District No. 36 the Alllance Coal Co. Denver 25 cts. used to be \$1.00 McDowel Gen'l Mgr. the same school District No. 36 the Big Four Coal and Coke Co. Mine at Floga 25 cts. for single man 50 cts. for married men the no. of school district I don't no headquarters in Denver the Floga mine at Sunnyside 25 cts. for single men 50 for married men their headquarters are in Denver I don't no the name of the management thier I will be down their this week and find out and get a statement from some of the men all the small mine are just the same when oakman was Governor the Victor American Co. and the C. F. & I. was called up before him and swore they did not no anything of this tax and when they were shone the statement they stopt taken it of and have never done it since but the small company has always done it and it amounts to several thousand dollars where it goes no one will tell I will inform you of the Doctors next time and say that they are unable to arganize the men in Huerfano to their has never been a district officer down here there are no use of a stranger going around here the companys things noes one when ever they see him and it is all off with him let them do their business right and they will come out all right get a man in here that no all the mines and the men and he will make this a union County before long there are no use of a stranger as he can do nothing as he is watched when ever he leaves the train.

Respectfully yours,

ROBT. F. LOCKHART,  
La Veta, Colo.

MR. DOYLE. Statement showing the death rate of miners, January 1 to October 1, 1913, also production of coal, number of men employed, number injured per thousand; also the same from September 30 to December 31 compared with the nine months preceding:

JANUARY 1 TO OCTOBER 1, 1913.

Number of men employed in the Colorado coal mines.	Number killed.	Number injured.	Killed per 1,000 employed.	Injured per 1,000 employed.
13,274	65	254	4.9	11.6+

## PRODUCTION JANUARY 1 TO OCTOBER 1, 1913.

Production of coal (tons).	Tons per fatal accident.	Tons per nonfatal accident.
7,546,556	116,101	27,711—

## SEPTEMBER 30 TO DECEMBER 31, 1913.

Number men employed.	Number killed.	Number injured.	Killed per 1,000 employed.	Injured per 1,000 employed.
8,606	45	100	5.2+	11.62+
	3	3	3	3
	1 125	1 300	15.6	34.96

1 For 9 months.

## SEPTEMBER 30 TO DECEMBER 31, 1913.

Production (tons).	Tons per fatal accidents.	Tons per nonfatal accidents.
1,722,403	38,272+	17,224+

The coal-mine inspector has published his report for 1913, and on pages 5 and 6 will be seen the average number of coal miners employed in this State, the number of men killed in the mines, the number of widows and orphans left, the number of accidents to employees in and around the mines, and they are as follows:

Average number of men employed.....	12,871
Fatal accidents.....	110
Nonfatal accidents.....	354
Total.....	464
Widows left.....	51
Orphans left.....	108

Accidents resulting in personal injury and total amount of compensation paid to the injured and the relatives of the dead amounted to \$33,593.63.

The above figures give a little more information than we were able to obtain under the old law, and it should be remembered that these figures are taken from the sworn annual reports of the mine operators.

If you work out the sum total of the compensation paid to the injured and to the representatives of the dead, it appears that John Doe and his associates have decided that the price to be paid for killing or injuring a coal miner averages about \$72.40, which is the amount shown to have been paid for the 464 accidents.

Taking the average number of miners employed at the figures given, which is 12,871, and remembering that each of these men pay \$1 per month for doctor and hospital, the yearly tax upon these miners amounted in 1913 to the sum of \$154,452.

This sum was collected and administered wholly by the operators themselves. They employ all doctors (sometimes getting them as low as \$75 per month), make all hospital arrangements, which arrangements (except in the case of the C. F. & I.) are entirely on paper.

No coal miner has anything to say about what doctor shall attend him; he has no voice in any such arrangement; his part begins and ends with paying his \$1 per month.



Mr. DOYLE. Letters received from men working at various mines in southern Colorado prior to the strike and desires of men for organization:

DELAGUA, COLO., Sunday, August 10, 1913.

DEAR FRIEND: I got a job down here the only thing the Boss would was pick work with another fellow a Welchman. I guess it is the worst place in the mine. It is over two miles and a  $\frac{1}{2}$  from the mouth of the slop to the face. It takes nearly a hour to walk to work. They only pay 55¢ per ton and whair I am working the coal will not brake at all. It is the hardest pick work I ever done. It is nearly imposable to make anything at it. My Partner and the other three Welchman who are working here in the mine are going to Wyoming soone as they make a few more dollars. There is about four or five hundred men here. Outside men are mostly American. I think about 50 Japs. The rest are farmers such as Austrians, Slavish, and Mexicans, Greks and Italians, and they all no sava. Of all the places I ever was in my life this is the worst place I ever saw for an American to live unless he is a Boss.

I am sure I cant stand it here eny longer. In the first place I cant make wages. I and the three other Americans are bording at the Jap boarding house. Gee the Japs that swarm around here at night. The bath is a big squair box two ft. deep and 12 feet squair all the Japs, Greeks and Mexicans and all of us have got to wash in the same for they only fill the tub once. Last night one Jap with a lot of open sors on his body jumped in the tub with the rest of us. Now I dont think a senceable white man would stand for this, do you.

N. B. after walking to Ludlow six miles, while I was writing this letter, I was watches By a man whom I think is a detective. I went out away from the buildings then one of the gards came around so I walked to ludlow. I dont know that am followed but will continue my letter and mail it here.

When I got to Trinidad I found the Victor fuel Co. office and asked if they needed any miners. They said yes if I would go up I could get a job so up I went. When we got within a mlie of Delagua a mounted Gard meet us and asked all of us a great lot of questions. Whair we were aoling and what for. Whair we come from. Whair we had worked. What our names are, if we could refer to our former employer.

AUGUST 27, 1913.

NUMBER FIFTY-TWO: Your letters of the 16th and 24th inst. received; have noted carefully what you have to say. Am kept very busy with the Denver end of the campaign.

I wish you would give the names of all whom you come in contact with, as well as postoffice address.

Guards are being placed on the mines at Lafayette, and all camps in the north, but it seems that the more guards they hire in the south, the more members the organization gains. Fremont County is doing splendid; El Paso County is securing new members; every camp in the south reports that the men are waiting for the call, but we advise against any out-brake on their part, until all efforts for a peaceful settlement have failed.

Help keep down any unnecessary strike call, and suggest to any whom you might hear talking such that they await the official call before making any brake.

I have not hear from "74" since I saw him in Trinidad.

Assuring you that everything looks bright, and thanking you for your promptness in reporting, I remain with kind regards.

Yours very truly,

"455."

TIOGA, COLO., August 24, 1913.

4551.

DEAR SIR: I have got work at Big 4 Coal Mine. Started Weds. the 20th and doing fair but aint feeling extra good. The board isnt much good and the water is pumped from the mine. I could get board at a private house but the Super. said, or told my Partner that if we worked there we had to board at the Co. boarding house. We pay 28 per mo. The wash shanty could be kept cleaner. We have to lay our own rails. The cars we load look like two ton cards. We get 30 to 32. I believe we get 5.00 lbs short. The Boys say if you want to hold ajob here keep your mouth shut about union. It looks like

a man ought to free to talk about what he pleases & discuss any matter he wishes but I guess you cant here but all the Boys seem to be union men. Hoping that everything turns out for the best I remain respectfully yours

74.

---

FORBES, COLO., August 30, 1913.

DEAR SIR: Herewith I notify you that we arrived at this camp one of the "Rocky Mountain Camp" and got the work. We will start on Monday the 1st of september. We found out that five men were fired yesterday and they have to leave the camp today. because they were Union men and were talking about strike.

Yours truly,

82.

---

WALSENBURG, COLO., August 24, 1913.

No. 455: Will drop you a few lines today. Have been staying around Tioga the last few days and Big four also. Most all the mines layed off Sat. afternoon on account of Elks Convention at Walsenburg. In and around Tioga Camp unionism is quite openly expressed while same are quit and dont say much I should judge about 75 to 85 per cent are only waiting to be called out and are ready to lay down there tools. Most diggers clame they are getting very short weights. The Big four compel all single men to board at their boarding house whitch is very bum most of the time. The dinner pail they dont fill is a poor lunch. Friday they only put in the dinner pail two fat meat sandwiches and a piece of poor rhubarb pie and a little green apple. All the Boys Kicked. But its take what they give you or leve the Camp. They worked 8 hours. The wash house is fair but not sanitary.

I dont know if the Boss will let me stay and got to Work Monday or not. He uses me very cool at times. I came down to Walsenburg to day to see if there is any mail for me but I havent got a bit of mail sence I am down here. Perhaps none was sent to me. I will go back to Tioga tonight. Suppose you better write me at Walsenburg if you have Occasion to. If you wire me, I will be at Tioga for a couple days. When I am in Walsenburg I stay at the Oxford Hotel. I got a letter from you two weeks ago in answer to Delago. Dont know or cant think of any thing more of imporence.

With best wishes for success I am as ever

No. 52.

---

SUPERIOR, COLO., September 18, 1913.

DEAR SIR: The Conditions in the Mine are bad in turning a room there is not extra pay for it. Setting up timbers is the same thing. 6 cents per inch per running yard for brushing in soap stone stone bottom, the cards weight from 20 to 26 cuts, there is always plenty of smoke in the mine, for the men shoot any time of the day they get ready, no air to speak of and in some places in the mine every time a man shoots about 2 feet of rock come down with the coal and no extra pay for loading it out. The men lay their own track and it is awful hard to get rails around this mine and in some parts of the mine the rooms are in 40 feet and not a timber in sight and when the boss comes around he never tells a man to set up a timber and the men wont do it because they do not like to do all that work for nothing and also along the entries the rock is loose and no timbers. The switches and frogs are not laid right and the loaders have to lift them on and when the driver gets a car of the track along the entry close to any rooms cuts off his mule and leaves the car there for the loaders to put on or not load any more. There is 21 Austrians here all ready when the word is said. Some of the men here cant make enough to pay up their board. The biggest part of the men here are ready also with the others. The Bulgarians are also kind of pulling for the right side. I happened to get into a conversation with one to-day that could talk our language pretty fair and he said there was 15 of his country men organized. Well as I have no more to tell you about the situation of the thing I will now end.

Yours truly,

No. 94.

WALSENBURG, COLO., September 6, 1913.

I am still hanging on to my job and doing fairly well.

The mine where I work has very poor conditions. The coal is about 3½ ft. high and solid shooting. There is about 2½ to 3 ft. of the main body and then there is a seam of dirt that runs from 10 to 16 inches thick and under that there is from 6 to 10 inches of coal. The miner has to handle all that rock the width of his place for nothing. They don't weigh coal at all. They pay 65¢ a car and the car must be level full or the miner is docked from 5¢ to 25¢ and if there should happen to be a little dirt in the car he is docked for it. They allow 6¢ a car at the month end to every body for the rock they handle. So if a man has lots of rock and loads less coal he gets less pay for handling the rock. Where a man with a small seam of rock and loading lots of coal gets good pay for rock. A keg of powder cost \$2.25 and it will knock out from 12 to 20 cars and they pay \$1.00 a yd. for entry work and \$1.50 per yd. for cross cuts.

I will inclose a few names of fellows I met while running around. Wm. Sheeley of Lafayette is at the Solar mine but his post office address is Walsenburg. Gene Thorne is at the Ravenwood his P. O. address Walsenburg.

WALSENBURG, COLO., August 30, 1913.

I am in Walsenburg again. left Tioga yesterday. I was at Big 4 working. Thursday night 2 thirds of the men at Big 4 and Tioga were about ready to quit on account of some reports they had got from Walsenburg from some strange men who were there in the day some time. They told some body up there that the union is going to call every miner out the first of Sept. and that the Park and other ground had been leased here and that hundreds of tents were ready to put up. so I quit up there and come down. I got your letter and found out all I could and phoned up to some of the Boys and told them to stick to there jobs and not to get excited for there is still a good show for settling up with the Company without being called out of course I was carefull how and what I said. I left Tom up there working. He running a machine. I had a poor job working in Black lamp a good deal but was to get \$3.25 per day as they had been paying for for day work when I got my time at the office. The Superintendent turned my time in at \$3.00 per day. I was at the boarding house not quite 8 days and they charged me \$25. When I called at the office for my time they—the clerk—gave me a time check but no statement. I told him I must have a statement. They seemed very much surprised and said if I must have one they would have to make one out. I insisted and they gave me one. Now I will send it to you. The 10¢ on the statement is for a little Book of Mineing Laws of Colo.

The diggers are complaineing of being robbed all the time. I am certain 74 wrote you last week or first of this week. I read your letter with much interest and will try to attend to all.

As ever,

No. 52.

Mr. DOYLE. Copy of letter dated October 9, written to Gov. Ammons pertaining to information received that machine guns were being imported into the State.

OCTOBER 9, 1913.

To his Excellency the GOVERNOR OF COLORADO.

HONORABLE SIR: It has come to the knowledge of the undersigned that four pieces of rapid-fire field artillery known as Gatling guns have been purchased by one of the coal-mining corporations, whose miners are now on strike. That these death-dealing engines of civil war are now on their way to the coal fields of southern Colorado. That the company above referred to has arranged to utilize the services of an officer of the Colorado State Militia, who is also an employee of the coal company, in the operation and use of these field guns. Now, Governor, inasmuch as the skill and training in the use of these guns possessed by this militia officer was given him by and at the expense of the State of Colorado, and by officers of the United States Army at public expense, therefore, we, the undersigned, do solemnly protest against the use of the skill by a private corporation to murder the citizens of this State on strike for their common rights of man, and for the privileges guaranteed them by the laws of Colorado. Such guns as these mentioned can only mean civil war by

private power; and we protest against the use of skill and training developed and paid for by this Commonwealth being used by modern representatives of the middle-ages private-warfare barons.

We ask you as governor of Colorado to insist that no private use of State paid for skill shall be tolerated in this industrial conflict. We ask you as governor of Colorado to insist that this is an industrial not a military conflict, and if the operators by the power of hunger can not starve into submission, they shall not with privately owned Gatling guns use State and Federal trained military men to destroy us.

Signed by,

POLICY COMMITTEE.

Mr. DOYLE. Copy of statement concerning the shooting of John Ure, Forbes, Colo.:

#### JOHN URE AND HIS TENT.

John Ure, of Scotch birth, 63 years of age, a miner for 53 years, was employed at Forbes mine, Forbes, Colo., at the beginning of the present strike, at which time he joined the strikers and moved into a tent furnished by the miners' union. While standing in front of his tent on the afternoon of October 17, 1913, a mine guard approached the tent colony, carrying a flag of truce with him. Upon arriving at the tent colony he was met by a group of men and he asked them if they were strikers. They informed him that they were. He stepped back and dropped the flag, at which signal the rapid machine gun, mounted on a steel-bodied automobile, on the public highway some 300 yards from the tents, commenced firing at the strikers. Shooting started about 3 o'clock p. m. and continued until 5 o'clock p. m. Ure took refuge under the cot in his tent, and it is a miracle that he was not killed, as the tent has 147 bullet holes in it, and the furniture—every dish and cooking utensil—bears evidence of the shots fired by this Gatling gun.

Mr. DOYLE. Document issued by the United Mine Workers at the time of the Whitford injunction cases, entitled "Put The Scales Back," pertaining to the scales falling from the courthouse when the miners were unjustly sentenced:

Why did the scales of justice fall from the hands of the goddess of liberty on the dome of the Denver courthouse and crash to the roof below just after the 16 miners were sentenced by Judge Whitford to one year in jail on December 23, 1910, for violating his injunction?

The right to trial by jury was denied by Judge Whitford, notwithstanding the following provision in the Revised Statutes of Colorado, 1908:

"Provided, That in all cases where the alleged contempt is not committed in the immediate view or presence of the court or judge, the person arrested may upon demand therefor be tried by a jury."

A civil contempt was held by the same judge to be subject to punishment by imprisonment.

The same statute provides: "Upon answer and evidence taken the court or judge or the jury in cases tried by the jury shall determine whether the person proceeded against is guilty of the contempt charged, and if it be determined that he is guilty of the contempt a fine may be imposed upon him not exceeding \$500."

Upon whose affidavit were the respondents, the miners, brought into court for alleged contempt?

One of the affiants said that several of the names in his affidavit should not have been there, and he did not know they were there, and some of them were written in without his knowledge; Mr. James H. Blood, attorney for the operators, then stated that he drew the affidavits and was responsible for the allegations therein made and he only, thought the affidavits were sworn to by the others.

John Cassidy is in jail with a \$250 fine for contempt, because as town marshal of Lafayette he attempted to arrest A. C. Felts, of the Baldwin-Felts detective agency, who was imported from West Virginia to break the miners' strike.

Andrew Burt left Colorado November 15, 1910, for Iowa; returned to Colorado March 25, 1911; was never served with summons or the injunction writ. He is in jail and fined \$500 for contempt for violating a writ when he was out of the State during all the time the proceedings were had.

The same is true of Grover Wiseman.

Edward L. Doyle is serving one year's sentence in jail for writing two articles published in the Mine Workers' Journal, the official paper for the United Mine Workers' organization. These articles were published March 2 and April 15, 1911. The contempt proceedings referred to had been disposed of in the supreme court and were not pending. Doyle said, "This judge, who refused us a jury trial, had the nerve to ask that a grand jury be appointed to investigate the charges of bribery made against him. He dared to ask for a jury trial, and but two months before had refused 16 men that right."

These articles were a criticism on a matter disposed of by the court and not pending, and also pertained to the impeachment proceedings.

From the evidence introduced at the proceedings the remaining respondents were sentenced because they belonged to a union and were loyal to the organization.

All of these respondents were compelled over their own objections to testify against themselves where they had been charged with a criminal offense.

"That no person shall be compelled to testify against himself in a criminal case." (Colorado constitution.)

The following words were used in a criminal case by attorney for the defense (The People v. Beckenstein) before Judge Whitford: "If your honor's ruling is the law, then it is not justice; it is barbarism, and no man can successfully defend himself, his liberty, or his good name when it is attacked in this way by the prosecution."

Among other grounds urged for new trial in the Henwood case, recently tried before Judge Whitford, the following are mentioned by Attorney John T. Bottom: "The bias and prejudice of Judge Whitford against all persons charged with crime make it impossible for him to give the defendant a fair and impartial trial."

One of the leading prosecutors in the district attorney's office for Denver stated in the presence of Judge Whitford, "O don't call Judge ——— to try a criminal case here, because we have to prove everything beyond a reasonable doubt before him." Judge ——— was not called.

In a former contempt case on December 23, 1910, Judge Whitford stated that the evidence was very conflicting, and evidently some one had not told the truth and proceeded to sentence the 16 union miners to a term in jail for one year on such conflicting evidence.

[Extracts from the Rocky Mountain News.]

Henwood to Judge Whitford:

"Judge Whitford, I am not surprised that I am here for sentence before you after the attitude you have taken toward me since this trial started.

I have seen criminals, innocent men, and others afraid to come before you, because you hold the reputation of being a prejudiced judge, a biased judge—a man with a mind for just one thing, and that is conviction. A man is guilty before he enters this court room in your estimation.

"My idea of a judge is that he is fair and just to both sides. I never had that justice from you. Judge Whitford, from my observation it does not make a bit of difference how young a life is or how old, whether man or woman, your one thought is and always has been conviction. You have been a prosecutor all your life and you know nothing else; it is like a kleptomaniac with you."

The court:

"The feeling concerning the man now on the bench—of course you are surrounded in jail with 14 men—miners—that I recently sent there and occasioned much public comment.

"The law is that it must be proven beyond a reasonable doubt that defendant is guilty of a criminal offense, and it seems that these miners were looked upon as criminals without the benefit of the rules of evidence."

The Daily Herald of Boulder (Republican) in a recent editorial said:

"Sticks and stones will break my bones, but words will never harm me." And continues by saying that the extent of the damage done to the coal company was measured by this verse, but that the damage to a judge's feelings was measured by one year in jail and \$500 fines, aggregating \$6,000 and costs plus jail commitments, until this "enormous balm of Gilead" for injured feelings could be paid.

The Boulder County Miner (Republican) is quoted from below, for the reason that heretofore this paper has been unrelenting in its attack on the union:

"Constituted as is mankind, it would be a cause for wonder were there not bitter, wordy disputes growing out of the present strife, and hot words often lead to blows, and no doubt in many instances during the present difficulty what was only a personal affray has been magnified into a riot, involving a battle between union and nonunion men. In such instances we believe that the officers, while doing all in their power to prevent clash, should deal leniently with the offenders, and only where deliberate violations occur or cowardly assaults are made should the offenders be punished to the full extent of the law. All honor to the many good men and true who, bearing the full share of the burden and believing in the righteousness of their cause, have persistently and consistently thrown the weight of their influence in favor of law and order."

The following is taken from the Daily Camera (Democrat) published in Boulder:

"Judge Greeley W. Whitford has become an instrument of good for the people of Colorado which can not be overestimated. The people were in doubt, and the interests were teaching them that recall of judges would be a bad thing; but the people have been reading reports of proceedings in Judge Whitford's court, and the more they read the more firmly are they convinced that judges need recalling, as well as any other officers who abuse their powers. As George III's obstinacy gave the world its greatest Republic, so some judges' services to the interests promise real rule of the people and freedom from judicial tyranny.

"In sentencing the miners now in jail Judge Whitford made use of the following amazing statements:

"Idleness begets lawlessness. Here is organized refusal to work. Bitterness and animosity are in the breast of each against those who do the work. This must be remembered as a general condition in the place when we examine the evidence and determine the falsity or truth of the charges; declarations have been made by members of the union that they will yet win the strike, despite Judge Whitford's orders. The declarations have come from those high in the councils of the union."

"From this it appears that it is a crime to strike and that the injunction writ was issued not to protect the property but to defeat the strike. The highest court in the State of New York held recently that a strike was legal; that organized labor was essential and had brought the laboring man from a position of degradation to one of honor, respect, and citizenship. If the injunction was made to defeat the strike, then has the court become the tool of the operator and the antagonist of organized labor.

"Proceedings of attachment have been issued by the Denver court against the homes of 13 of the imprisoned miners in lieu of the payment of the fine imposed upon them by Judge Greeley W. Whitford."

Mr. DOYLE. An appeal to the miners of district 15 just prior to the strike, but the policy committee of the organization quoting the law guaranteeing to them the right to be a member of that organization or any organization:

#### AN APPEAL TO ALL MINE WORKERS IN DISTRICT 15.

*To the Mine Workers of District 15, U. M. W. of A., Greeting:*

This is the day of your emancipation. This is the day when liberty and progress come to abide in your midst.

We call upon you this day to enroll as a member of the greatest and most powerful labor organization in the world, the United Mine Workers of America, an organization numbering more than 400,000 members, operating in all the coal fields of the United States and Canada.

This organization since its inception has increased wages more than 100 per cent, has established the eight-hour workday, secured better mining laws, and made it possible for its members to enjoy freedom and protection from corporate tyranny and oppression.

It has advanced the interests of its members in a hundred different ways and has brought sunshine and happiness into thousands of homes. This great movement now enters your district, which is the only one in the West yet unorganized, and we enter it with the firm determination of remaining here until every mine in the district is working under union conditions.

We feel sure we have your support. We know that for years you have ap-

pealed to us to help you. Now we are answering your call with all the power and all the wealth of our great union.

We ask you to join or help organize a local union at once, if none exists in your locality. We ask you to help lay the foundation of the splendid movement we are building in this field. Do not delay a moment, but make haste to join your fellows and help win the victory.

The law of Colorado protects you in your right to belong to a labor union. It reads as follows:

"LABOR UNIONS.

"*Unlawful to interfere with or coerce.*—That it shall be unlawful for any individual, company or corporation, or any member of any firm, or agent, officer or employee of any company or corporation to prevent employees from forming, joining, or belonging to any lawful organization, society, or political party, or to coerce or attempt to coerce employees by discharging or threatening to discharge them from their employ or the employ of any firm, company, or corporation because of their connection with such lawful organization, society, or political party." (Sec. 2801, vol. 3, M. A. S.)

"*Misdemeanor—Penalty.*—Any person or any member of any firm, or agent, officer, or employee of any such company or corporation violating the provisions of section 1 of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not less than \$100 nor more than \$500 or imprisonment for a period not less than six months nor more than one year, or both, in the discretion of the court." (Sec. 2801s, vol. 3, M. A. S. Sec. 1 is on 2801r.)

If you are discharged for exercising this legal right we will begin court proceedings against the offending company and will pay you strike benefits from the moment you quit work. For further particulars consult the men in charge of our offices at Trinidad, Walsenburg, Florence, and Aguilar.

Yours, for unionism,

FRANK J. HAYES,  
JOHN R. LAWSON,  
JOHN MCLENNON,  
E. L. DOYLE,

*Policy Committee Representing District 15, Mine Workers.*

Mr. DOYLE. Copy of statement issued by policy committee to the press, under date of August 26, 1913, pertaining to statements being issued through the country that were not correct:

AUGUST 26, 1913.

*To the Press:*

Many statements have been issued to the public, some of them utterly unwarranted and without foundation, to the effect that the miners are asking for an open shop in southern Colorado. This is so ridiculous that were the situation not so critical it would be a joke. The miners of southern Colorado have had what the operators term an open shop, for many years. They have had the open shop and the armed-guard system until it has become so unbearable to them that they have, after trying in vain for many years to have the statutes of the State lived up to, appealed to the United Mine Workers of America to assist them in gaining that which is the right of every free man in this country, the right to join the union of their choice; the right of free speech; the right of collective bargaining and the right to employ representatives to assist them in getting higher wages; better and more sanitary conditions; the right and opportunity of an education for their children; the privilege of demonstrating that the highest type of citizenship is not produced through espionage, by men, women and children being constantly placed under surveillance of ex-convicts and imported gunmen.

Statements have been made that the miners' representatives will not insist upon the recognition of the union and that they are only asking several unimportant concessions. This is absolutely untrue. Another statement has been made to the effect that Frank J. Hayes, international vice president of the United Mine Workers of America, who is in charge of the Colorado situation, has expressed views not held by other members of the policy committee. This is absolutely false. We desire to state that Mr. Hayes was sent to Colorado to take charge of the situation here upon our personal request and was

selected by us to act as the one member of the policy committee to give statements to the press, and every statement made by him reflects the sentiments of the committee and the Colorado miners.

Realizing as we do the real meaning of a strike of the coal miners of Colorado at this time and that the public is oftentimes, by virtue of their position, the greatest sufferers, also that the business interests must not be overlooked, and that the interests of the State should not be forgotten, we are determined to exhaust all honorable means in an endeavor to bring about a settlement before the strike order is issued.

We are for Colorado; we are for good citizenship; we are for the enforcement of the law; we stand for justice. We hope the situation may be cleared up without a strike and that the disgraceful scenes of years gone by that have placed a blot upon the fair name of Colorado will never be enacted in this State again.

Policy committee:

JOHN R. LAWSON,  
*International Executive Board Member.*

JOHN McLENNAN,  
*President.*

E. L. DOYLE,  
*Secretary-Treasurer, District 15, U. M. W. of A.*

Mr. DOYLE. Extract of advice given by myself pertaining to picketing in the northern Colorado coal fields:

[Extracts from advice given to officers and members of local union No. 1388, U. M. W. of A., Lafayette, Colo., by E. L. Doyle, secretary-treasurer district No. 15, U. M. W. of A., October 2, 1913.]

Sheriff Buster being unable to attend this meeting to-night, as he had intended to, left word with the secretary of this local union to the effect that it was his desire that I explain his position relative to the orders issued from his office prohibiting members of this organization from picketing, and having a conversation with him in the Denver office to-day, I will state in a brief way his stand in this matter, after which I shall explain the position of the organization and advise you along the lines I think proper to follow during the life of this strike.

Mr. Buster informed me that he is acting under the advice of Gov. Ammons, Attorney General Farrer, and District Attorney Carlson; they based this advice on the antiboycott law of the State of Colorado, which prohibits picketing of all forms. He further stated that his one desire was to serve the people as sheriff of Boulder County and prevent any lawlessness, and that he had learned that the only way to prevent trouble was to stop the parties meeting, especially with men who are shipped in to act as strike breakers; that if the miners or their committees had a right to go to work or to the mines to induce men to cease working, the fuel companies would insist that their guards be permitted to come to such places with arms to escort these men to work, and the consequence would be trouble. He said in substance:

"I am endeavoring to prevent such trouble, and if you people are of the opinion that this is denying you any rights as citizens, I wish you would have it decided in the courts; I am willing as sheriff of Boulder County to be governed accordingly."

This is practically the sheriff's position in the matter of picketing, and I think he wants to be fair and just to both sides, and in answer to this I told him that I expected to visit you people to-day, and that I would attend this meeting to-night for the purpose of advising you as to how you should be governed with reference to your picketing committees; and while the sheriff no doubt believes that the advice given him is correct, I am of the opinion and will hold that opinion until ordered to do different by the courts; that our right to do peaceful picketing and use every peaceful and lawful means to prohibit men from taking our work at the mines, or to influence them to join the organization after they have secured work in the mines, is a right that we can not be denied; even a sheriff's or governor's office should not deny us that right, and if they deem to do so, as indications are they are going to, my advice is that we ignore their orders and exercise our rights as citizens to use all peaceful and lawful means to accomplish our desired end.

I am going to ask you men to-night to appoint committees, say, two or three men, to meet incoming trains and picket the various places where men can be



met and talked to, and to explain to these men why we are striking and the reason why we are entitled to all that we demand; explain to them why it is necessary to have an organization and make every effort to have them assist our cause by refraining from working in these mines.

The deputy sheriffs, I understand, have already ordered our picketing committee away from the station and other places; if that is the case, they no doubt will endeavor to stop your committees, and if they do, my advice to you is to refuse to stop picketing, and if the deputy sheriff or the sheriff sees fit to arrest you for violating his instructions, submit to the arrest peacefully, notify the district office, and we will see that proper legal steps are taken to protect you in all your rights; do not be afraid to go to jail for a short time, if you have to, and in all cases refrain from using loud, boisterous, or profane language. Let reason be the weapon with which you fight.

The law under which the sheriff is now acting is the antiboycott law, which the legislature repealed at the last session and which Gov. Ammons vetoed. Aside from this there is a clause in the blacklisting and boycotting law of this State which says that you have a right to persuade men from taking your work by peaceful picketing; and even if this were not a law your natural right as a citizen, your right under the State and National Constitutions would permit you to do this. Again, in the case where the Rocky Mountain Fuel Co. made application for a Federal injunction in October last, Judge Lewis plainly said, in rendering his opinion and in denying the company an injunction, that you have a right to picket peacefully and persuade men to join your organization or refrain from acting as strike breakers. This decision was one of the most sweeping ever handed down from the Federal bench; even the newspapers of the country were silent, evidently afraid to make known to organized labor the decision of such importance to it. Now, in the face of the fact that a Federal court says we have this right, that a Constitution of State and Nation gives us this right, are we going to, as members of organized labor, submit to the wishes of either the district attorney or attorney general, or even the governor of the State, and comply with a law that even the legislature said should not be on the statute books and made an effort to repeal—a law that one man, the governor of the State, said should not be repealed? No; if you accept my advice you will exercise your rights and take the consequences. Every right that we as citizens of this country have was fought and paid for in the blood of the citizens of this country, and we should not permit any of these rights to be denied us even if we have to fight people to maintain them; this we do not want to do, therefore we will fight to the highest court of the land to protect that right, and it will be sufficient time to protect by war—civil war—when the last court of the land denies us the right guaranteed us by the Constitutions of the State and Nation.

I have hopes, however, that we will not have to go very far in the courts before our rights will be fully recognized.

Mr. DOYLE. List of districts in which the United Mine Workers are working, whether they have agreements in those districts or not:

The United Mine Workers of America, with a paid-up membership of 415,142 December 31, 1913, is divided into districts, as follows:

Pennsylvania; working under agreement.

District No. 2. Pennsylvania; working under agreements with the coal companies.

District No. 5. Pennsylvania; working under agreements with the coal companies.

District No. 6. Ohio; working under agreements with the coal companies.

District No. 7. Pennsylvania; working under agreements with the coal companies.

District No. 8. Indiana; working under agreements with the coal companies.

District No. 9. Pennsylvania; working under agreements with the coal companies.

District No. 10. Washington; greater part organized and working under agreements.

District No. 11. Indiana; working under agreement with the coal companies.

District No. 12. Illinois; working under agreement with the coal companies.

District No. 13. Iowa; working under agreement with the coal companies.

District No. 14. Kansas; working under agreement with the coal companies.

District No. 15. Colorado; greater part organized, and has a number of mines working under agreements with coal companies.

District No. 17. West Virginia; organized and working under agreements with coal companies.

District No. 18. British Columbia; organized and working under agreements with coal companies.

District No. 19. Kentucky; partly organized.

District No. 20. Alabama; partly organized.

District No. 21. Arkansas; organized and working under agreements with coal companies.

District No. 22. Wyoming; organized and working under agreements with coal companies.

District No. 23. Kentucky; partly organized.

District No. 24. Michigan; organized and working under agreements with coal companies.

District No. 25. Missouri; organized and working under agreements with coal companies.

District No. 26. Nova Scotia; partly organized.

District No. 27. Montana; organized and working under agreements with coal companies.

District No. 28. British Columbia; greater part organized, some mines working under agreement.

District No. 29. West Virginia; organized and working under agreement.

Mr. DOYLE. Copy of letter from the United Mine Workers' executive board that was sent here, dated December 1, 1914, or was, rather, brought here by a committee of that body, giving its reasons for advice to the miners pertaining to calling off the strike, which was called off on the 10th of this month:

INDIANAPOLIS, IND., December 1, 1914.

*To the officers and Members of all Local Unions in Colorado, Greeting:*

The President of the United States on September 7, 1914, submitted to us a proposition for the settlement of the Colorado coal strike and urged upon us its acceptance in the following letter:

"MY DEAR SIRS: I feel justified in addressing you with regard to the present strike situation in Colorado, because it has lasted so long, has gone through so many serious stages, and is fraught with so many possibilities that it has become of national importance.

"As you know, Federal troops have been in the State for the purpose of maintaining order now for a long time. I have been hoping every day during that time that some light would come out of the perplexities of the situation, some indication that the mine operators and the miners who are now on strike were willing to consider proposals of accommodation and settlement; but no such indication has reached me, and I am now obliged to determine whether I am justified in using the Army of the United States indefinitely for police purposes.

"Many things may come out of this situation if it is not handled with public spirit and with a sincere desire to safeguard the public as well as all others concerned; perhaps the most serious of them all—the feeling which is being generated and the impression of the public—that no one is willing to act, no one willing to yield anything, no one willing even to consider terms of accommodation.

"As you know, two representatives of the Government of the United States have been actively engaged in investigating the whole situation and in trying to reach a dispassionate conclusion as to what it is possible to do, in justice to both sides not only but also in the interest of the public. The result of their investigations and of their very thoughtful consideration in the matter has been the drafting of the inclosed 'tentative basis for the adjustment' of the strike. I recommend it to you for your most serious consideration. I hope that you will consider it as if you were acting for the whole country, and I beg that you will regard it as urged upon a time—I am sure you will feel—when everything should be done that it is possible for men to do to see that all untoward and threatening circumstances of every sort are taken out of the life of the people of the United States.

"Sincerely, yours,

"WOODROW WILSON."

Our international officials sent the following reply to President Wilson:

"Hon. WOODROW WILSON,

*"President United States, Washington, D. C.*

"DEAR SIR: With feelings of personal esteem, we reply to your favor of September 5.

"We have weighed well and thoughtfully both the sentiments expressed in your personal letter and the proposed tentative basis for the adjustment of the coal-mining strike in Colorado, the acceptance of which you urge 'with very deep earnestness.'

"We are profoundly impressed with what you say, and fully conscious of the fact that in submitting this basis of settlement you are actuated only by feelings of public concern and inspired by motives both lofty and patriotic.

"The organization which we have the honor to represent stands for industrial peace. We favor the establishment of right relations between employers and employees, to the end that strikes may be rendered unnecessary. Having proper regard for these aims, we sought in the beginning to avoid an industrial conflict in Colorado. We repeatedly asked for a meeting with the mine owners, with the object in view of entering into contractual relations with them, so that peace might prevail. Had this been done, we are confident that the awful industrial struggle which has been going on in Colorado could have been avoided; instead of bloodshed, bitterness, industrial strife, and economic waste, there could have been established throughout the coal fields peace, prosperity, and harmonious cooperation. It is our judgment that employers and employees, through their chosen representatives, ought to meet and settle their differences by mutual agreement. A direct working agreement, entered into in a friendly spirit, makes for abiding, permanent, industrial peace. This, we believe, ought to be done by the miners and operators of Colorado. However, we are mindful of the suffering and waste which this strike has thus far imposed, and the additional sacrifice which will be made if it continues.

"Feeling keenly therefore our responsibilities as the representatives of our organization, we accept your proposed basis of settlement of the Colorado strike, subject, of course, to the approval of the miners of Colorado. A convention of the representatives of the miners of Colorado will be held at Trinidad, Colo., Tuesday, September 15, at which time action will be taken thereon.

"We sincerely appreciate the personal concern which you have manifested in the Colorado strike. Speaking as you do in the name of all the people of our great Nation, we feel it our duty to respond to your earnest wish.

"We do so, therefore, as we trust in the true spirit of American citizenship."

In view of the President's earnest request that the strike be settled on the basis proposed by his mediators, and in accord with the sentiment expressed by us in the above letter, we immediately called a convention of the miners of Colorado, to meet in Trinidad, Colo., September 15, 1914, for the express purpose of permitting the men affected to pass. The delegates to this convention, by practically a unanimous vote, decided to accept the President's proposal, and the convention directed that the following telegram be sent to President Wilson:

*"TRINIDAD, COLO., September 16, 1914.*

"WOODROW WILSON,

*"President United States of America, Washington, D. C.:*

"The Colorado mine workers, in convention assembled, have carefully considered your proposal for a settlement of the Colorado strike, and after calm and deliberate thought have this day decided to accept the proposition you submit. The delegates to this convention convey to you their abiding faith in your integrity and your earnest and patriotic desire to be helpful in the present strike situation. Upon notice of acceptance of your proposition by the coal operators, we will immediately terminate the strike and return to work."

President Wilson immediately replied, as follows:

"Allow me to acknowledge the receipt of your telegram conveying to me the action of the Colorado mine workers, in convention assembled, and to express my deep appreciation. The action does honor to the convention, and the spirit in which the action was taken is a fine prophecy of the conclusion of the trouble.

"Cordially and sincerely, yours,

*"WOODROW WILSON."*

We were of the opinion that such action on our part would speedily terminate the strike, not thinking for an instant that the operators would refuse the President's plan of settlement, especially when this plan meant nothing more or less than the impartial enforcement of the labor and mining laws of Colorado and the appointment of an industrial commission by the President to see that such laws were enforced. In the refusal of the operators to accept the plan of settlement proposed by the President, and their insistence on a continuation of a system which stands for industrial chaos and anarchy, they forfeit the support, if they persist in maintaining this position, of every right-thinking, law-abiding American citizen.

When the operators refused to accept the President's proposal we entertained the hope that President Wilson would enforce his proposition by governmental action. After waiting for more than two months for some measure to be adopted by the President that would speedily terminate the strike, and receiving no definite word as to what his final action might be, we concluded to arrange a meeting with the President, and accordingly we met with him at the White House on Thursday, November 19. He informed us at that time that he was legally advised that he could not take over the Colorado coal mines and operate them under Government supervision and thus force a settlement of the strike in accord with the peace plan he had submitted. The President expressed deep regret that the operators had seen fit to disregard his wishes in the matter, and informed us he would do everything he could legally to bring about a settlement of the controversy. We requested that he make his position known as soon as possible, and so on December 1 we received the following communication from the President:

"The strike of the miners in Colorado which has now lasted for 12 months has attracted the attention of the whole country and has been accompanied by many distressing and tragical circumstances. The mediation of the Government of the United States was offered early in the struggle, but the operators of the mines were unwilling to avail themselves of it or to act upon the suggestions made in the interest of peace by representatives of the Department of Labor authorized by statute to serve in such cases. It became necessary to send Federal troops to the district affected by the strike in order to preserve peace; but their presence could of itself accomplish nothing affirmative. After long waiting, therefore, and the disappointment of many hopes of accommodation, I ventured, after taking counsel with representatives of the Government who had been on the field and made themselves thoroughly familiar with all the circumstances of the case, to propose a plan of pending agreement upon such terms and arrangements as might be made the basis for permanently satisfactory relations between them. The plan seemed to me obviously fair and sensible. The striking miners promptly accepted it; but the mine operators rejected it, saying in response to my earnest appeal that they objected to its most essential features—namely, the proposed arrangements by which differences might be settled by reference to a commission appointed by the President of the United States. I think the country regretted their decision and was disappointed that they should have taken so uncompromising a position. I have waited and hoped for a change in their attitude, but now fear that there will be none. And yet I do not feel that I am at liberty to do nothing in the presence of circumstances so serious and distressing. Merely to withdraw the Federal troops and leave the situation to clear and settle itself would seem to me to be doing something less than my duty after all that has occurred. I have therefore determined to appoint the commission contemplated in the plan of temporary settlement, notwithstanding the rejection of the plan by the mine operators, and thus at least to create the instrumentality by which like troubles and disputes may be amicably and honorably settled in the future, in the hope, the very earnest and sincere hope, that both parties may see it to be not merely to their own best interest but also a duty which they owe to the communities they serve and to the Nation itself to make use of this instrumentality of peace and render strife of the kind which has threatened the order and prosperity of the great State of Colorado a thing of the past, impossible of repetition so long as everything that is done is done in good temper and with the genuine purpose to do justice and observe every public as well as every private obligation.

"The Hon. Seth Low, of New York; Mr. Charles W. Mills, of Philadelphia; and Mr. Patrick Gilday, of Clearfield, Pa., have most generously and unselfishly consented, at my request, to serve as members of the commission. I owe to these gentlemen my own warm thanks not only, but also, I believe, the thanks of their fellow citizens throughout the country. They will place them-

selves at the service alike of the miners and the operators of the mines in Colorado in case controversy between them should in the future develop circumstances which would render mediation the obvious way of peace and just settlement."

This is the last word from the President, and in submitting this final proposition he emphasizes the thought that "both parties may see it to be not merely to their own best interest, but also a duty which they owe to the communities they serve and the Nation itself to make use of this instrumentality of peace and render strife of the kind which has threatened the order and prosperity of the great State of Colorado a thing of the past." In view of this urgent request, coming as it does from the Chief Executive of the Nation, we deem it the part of wisdom to accept his suggestion and to terminate the strike. In our opinion, to wage the strike further would not mean additional gain to our members.

We trust that this commission appointed by the President will meet with success and that all the operators in the State will come under its jurisdiction. The men who compose this commission are of national reputation and are citizens of high character and standing in their respective communities. If the operators reject the good offices of this commission, appointed in good faith by the President of the United States, upon their shoulders will rest the responsibility of any future trouble in the mining fields of Colorado. In taking this position and in terminating this strike, which has lasted for a period of almost 5 years in the northern coal fields and for more than 14 months in the southern coal fields of Colorado, we believe we are doing the best thing possible for the men on strike, who have suffered so long in order that justice might be done. We have spent an enormous amount of money in waging this struggle for justice and fair play in the mining fields of Colorado but have felt that it was spent in as noble a cause as it was ever given to man to espouse. We are not unmindful of the heroic struggle waged by the miners of Colorado since the strike began. It is with feelings of pain and sorrow that we recall the massacre of our men, women, and children at Ludlow. The sacrifices made, the privations endured, is without a parallel in the history of the labor struggles of America. Only those who have suffered grievous wrongs could endure such a prolonged conflict.

All lovers of liberty and believers in fair play between man and man must admire the heroic struggle of the Colorado miners against the great wealth and influence of Rockefeller and his associates. We believe that our people have not died in vain, and that the battle they have waged against such tremendous odds has aroused the conscience of the Nation, and that out of the martyrdom of our people will come the dawn of a better day for the suffering miners and their families in the coal fields of Colorado. May not this terrible conflict teach the citizens of Colorado and of the Nation that "government by gunmen" must cease? We express the hope that the President of the United States and the people of this Nation will see to it that constitutional government is enjoyed by the citizens in the coal fields of Colorado. We have made every overture for peace since the beginning of this conflict. We have repeatedly sought a conference with the mine owners only to be denied a hearing. We have repeatedly offered arbitration only to be ridiculed, and in the end 35 of our men, women, and children were murdered before the people of the Nation came to understand that the coal strike in Colorado was not a local or a State issue but a national issue of vital importance, involving civil as well as industrial rights. We feel that the President has so regarded it; that he has recognized the truth of the claims we have made; and that with the termination of this strike by the appointment of a permanent presidential commission of fair-minded men we shall find that the old-time oppression and tyranny will be no more, and that public opinion will compel the large operators of Colorado to deal justly with our people. And even though we now feel called upon to terminate this strike, due to untoward circumstances which surround us, we wish to say that our support and influence will ever be given freely to the mine workers of Colorado. We recognize no surrender and shall continue to propagate the principles of our humanitarian movement throughout the coal fields of Colorado. We advise all men to seek their former places in the mines, and those who are refused employment we shall render assistance to the best of our ability and shall provide every legal protection to those of our members who are being persecuted by the hirelings of organized greed.

In accordance with the above we recommend that a convention of the mine workers of Colorado be called to meet in Denver Monday, December 7, for the purpose of making known the meaning of the recent proposition of the Presi-

dent and for the further purpose of working out all the details in connection with the closing up of the strike; and, further, that a committee representing the international executive board shall attend the above-mentioned convention, and that they be given discretionary power to meet the exigencies of any situation concerning the termination of the strike that may arise.

Mr. DOYLE. Clipping from the New York Times of last week pertaining to the Rockefeller Foundation, which shows that they have on hand \$103,930,817.

My reason for submitting that statement is because of the foundation which has been endowed by the same Rockefeller, whom the miners of Colorado have had to pay a greater price for the attempt to establish the industrial part of this—industrial liberty of this State.

"By the issuance of a statement it was announced at the Rockefeller offices yesterday, 26 Broadway, that Jerome D. Greene, secretary of the Rockefeller Foundation, had withdrawn temporarily from his activities as a member of John D. Rockefeller's personal staff and that Ivy L. Lee, executive assistant to the president of the Pennsylvania Railroad, would shortly take up his duties."

Of course, I read this to show that this is the same Ivy L. Lee who was press agent for the operators in the issuing of the recent bulletin, to get it into the record, to show that labor itself does not need to expect any benefits from the industrial relations benefit investigation that the foundation, I understand, proposes to make.

That the services of this man were used in Colorado at the direction of the Rockefeller interest for the purpose of thwarting justice in the industrial world in the State of Colorado, and that the services of such a man certainly could not be beneficial to labor in the outcome from an investigation in Colorado.

I also want to get into the record a statement concerning the Belgian relief work of the foundation that has been in the press from time to time. The Belgian relief work, which is no doubt done by that interest to get the public sympathy, while at the same time the interest from which this money was coming, or a great portion of it, was squeezed from those who work in the mines of Colorado; rung from the blood and sweat of the men, women, and children, even taken from the children too young to enter the mines.

That the Belgian relief work and perhaps a general investigation of the Colorado mine troubles would be taken up by this Rockefeller Foundation.

I would like to get it into the record, with the permission of the commission, that we don't expect to get any justice or any semblance of justice from any investigation that may be taken up by this foundation, because they are the same identical men who have taken from the miners and made them contribute to this investigation.

I find here in the list 146 names of different corporations in the United States where the bonds, notes, and stocks have been given as security or donated to the Rockefeller Foundation to be used in this Belgian relief work, so called. I find that among them there are \$1,600,000 of the Colorado Industrial Co. convertible bonds, as I understand it, and as the Colorado Industrial Co. is one of the institutions of this State that is linked up with the C. F. & I. bunch, to claim that the \$1,600,000 that is used to investigate a portion of it is used to investigate Colorado's industrial unrest, is simply an insult to the intelligence of the workers of this State.

I claim it is like a man being held up at night, and the robber meets him on the street next day and asks him to loan him the price of a meal.

I believe that it is not in sincerity that that foundation is going to investigate industrial relations. I think it is more to hide what has occurred than to do good for organized labor.

It refers here to John Rockefeller, sr., retiring from business activity. I want to mention that I read in the press the other day, during the investigation of this committee, that Rockefeller was present at Tarrytown some time last September, Rockefeller, sr., with others, and that he evidently has not retired from activity, and the investigation of the Rockefeller Foundation into labor conditions will not be such that we can expect any benefit from it.

I want to call your attention further that the hundred millions appropriated by Rockefeller for this Rockefeller Foundation, according to this report there were about six and one-half millions appropriated from that for service, and that after this appropriation being made, \$3,930,817.19 is on hand now more than they had when it was endowed in the start. It would appear to me that even the accumulations, while I have not figured it out, have not had time to get up the figures, but according to the statement of the accumulated earnings

the interest on that \$100,000,000 donated by the Rockefeller Foundation for this so-called uplift work would more than pay the increase asked by the miners of Colorado and thus have prevented the industrial unrest that existed in this State and would have prevented the loss of life on both sides which has taken place and which has brought disgrace to the State and Nation.

If we sincerely want to try to do what is right, and promote the well-being of mankind throughout the world, how can any association established by him who has brought so much on Colorado, how could he establish any kind of organization that was to promote the welfare of mankind throughout the world? How can he expect the world to believe this commission, or anybody to believe that he is trying to promote the welfare of mankind throughout the world, when he denies the simple justice to the men who toll in the bowels of the earth from morning to night? How can he expect—

Commissioner WEINSTOCK. I want to call attention to the fact that it is long past the time for adjourning, and we ask the gentleman just to confine himself to telling us what those documents are and let us read them for ourselves.

Mr. DOYLE. All right.

I want to offer in evidence a number of pictures.

(The photographs referred to were submitted by the witness, but are not printed.)

I want to offer in evidence first a picture of the funeral procession in the streets of Trinidad after the Ludlow massacre.

Another picture showing the caskets of the victims.

Another picture showing the C. F. I. wagon loaded with boxes of supplies, etc., to be delivered at the headquarters of the militia, showing that they worked in conjunction.

A picture of the machine gun used by the militia, showing the gun ready for action as was used in the month of April.

Picture showing the destruction of the tent homes of the miners who went on strike at Forbes, Colo., showing how their homes were ruined and torn down by the militia.

Picture of Ludlow before the fire, showing the tents clustered on the prairie.

Picture showing the ruins after the Ludlow fire.

Picture of the Black Hole, where the bodies of 2 women and 11 babes were burned up.

Picture of the armored automobile, containing machine gun and mine guards. This is the same automobile that traveled through the tented cities down there and created a reign of terror, shooting the people to death.

Black Hand letter received by Jack McQuarrie.

Picture showing the remains of Louie Tikas, the martyr at Ludlow, who was trying to maintain peace, and as the evidence has been given, was killed by the gunmen militia at Ludlow last April.

Picture of the remains of another miner, Robodino, I think his name is, killed on that day at Ludlow.

Picture of the remains of James Fyler, secretary Ludlow local union, also a martyr on that day, showing how his face was blown to pieces by reason of a bullet through the back of his head.

Picture of the little Snyder boy, 12 years old, who went out from the hole to get his mother a drink, and as the miners were in that locality, he was killed by a piece of lead. But had that been John D. Rockefeller, jr., when he was 12 years old, what a fuss would have been made in this country, and I claim that that boy who died that death is just as good as anybody, and that he to-day lies in an early grave.

Picture of a group of miners' children near the tent colony. These are the children who will be citizens of to-morrow, and unless the Nation's statesmen arise to the need of changing industrial conditions, at least realizing them from the working people's viewpoint, that these children in years to come will be the strikers of Colorado or of this Nation.

Picture of the two boys, showing one of them in his father's overalls, having none of his own.

Picture of a mother and child, showing the anxious look on the mother's face.

Picture of two children.

I want to say that I appreciate, as one humble citizen, the opportunity of having this time before your committee, especially since the hour of adjournment has long past, because I feel I am speaking to the statesmen of the Nation, and I hope this commission will take such action to enact legislation that will

for all time to come stop such things as we have been going through with in this State of Colorado.

Chairman WALSH. At this point we will adjourn until to-morrow morning at 9 o'clock.

(At this point, 5.25 p. m., an adjournment was taken until to-morrow, Tuesday, December 14, 1914, at 9 o'clock a. m.)

---

DENVER, COLO., Tuesday, December 15, 1914—9 a. m.

Present: Chairman Walsh, Commissioners Ballard, O'Connell, Lennon, and Harriman.

Chairman WALSH. The commission will be in order.

Is Mr. Snodgrass here? Take that chair, please, Mr. Snodgrass.

#### TESTIMONY OF MR. B. W. SNODGRASS.

Chairman WALSH. What is your name, please?

Mr. SNODGRASS. B. W. Snodgrass.

Chairman WALSH. What is your business?

Mr. SNODGRASS. I am superintendent of a coal mine.

Chairman WALSH. How long have you lived in the State of Colorado?

Mr. SNODGRASS. Since 1888.

Chairman WALSH. By what company are you employed now?

Mr. SNODGRASS. By the Victor-American Fuel Co.

Chairman WALSH. Please briefly state what you have been doing since you come to the State in 1888.

Mr. SNODGRASS. I came to the State when I was quite a young boy and went to school for a number of years.

Chairman WALSH. What was your first business?

Mr. SNODGRASS. I was employed three years in the Trinidad National Bank. After that I was employed for 10 years by the Colorado Fuel & Iron Co.

Chairman WALSH. In what capacities?

Mr. SNODGRASS. Well, most of the time in a clerical capacity. I worked at the coal mines for six years, and also worked in their general offices in Denver here for four years. I then went to the Victor-American Fuel Co. in 1905.

Chairman WALSH. In what capacity?

Mr. SNODGRASS. As clerk to the general manager. I worked in that capacity for a year and went then to the mines as assistant superintendent of the Delagua mine. That was in 1906.

Chairman WALSH. How long have you been superintendent?

Mr. SNODGRASS. I was assistant superintendent of the mine two years and have been since that time superintendent. I have been superintendent six years.

Chairman WALSH. Well, please state briefly your experience with the striking miners from the beginning of the strike until the battle of Ludlow.

Mr. SNODGRASS. Well, when the strike first began to be talked of I talked to nearly all of the men employed at that mine individually whenever I could talk to them. They did not seem to think there would be a strike. None of them seemed to want to have a strike. They did not want to go on a strike. They told me that they considered they were doing as well as they could do in the coal-mining business any place.

Chairman WALSH. How many did you talk to, would you say?

Mr. SNODGRASS. Oh, we had 500 men at that time and I talked to the greater part of them.

Chairman WALSH. You had 500 men at the Delagua mine?

Mr. SNODGRASS. Yes, sir. They seemed to be quite well satisfied with the conditions there, and up until three days before the strike became effective I do not believe—I did not believe that very many of them would leave us. I don't believe they were intending to leave. Two or three days before the strike some organizers or agitators came into the camp.

Chairman WALSH. What was his name?

Mr. SNODGRASS. Well, I am not positive, I did not see them. There were two or three, I was told, came in on Saturday night and stayed Saturday night and part of Sunday, and mixed around among the men, and on Monday returned, and when I saw some of the men I knew there was going to be a strike because they told me they were going to leave. They changed their minds very abruptly.

Chairman WALSH. How many went on strike from your mines?

Mr. SNODGRASS. About 250.



Chairman WALSH. Just about half that were there?

Mr. SNODGRASS. Yes—well, a little more than half, because during the last week before the strike probably 50 men quit; they did not wait for the strike; they did not want to be in it so they went away.

Chairman WALSH. What percentage would you say went out from the Delagua mine, what percentage of the whole, on account of the strike, went out immediately before, at the time or immediately afterwards?

Mr. SNODGRASS. Fifty per cent.

Chairman WALSH. Then it was just about half?

Mr. SNODGRASS. Yes; if you consider the number that quit a week or so preceding the strike.

Chairman WALSH. Now, then, after they went out at Delagua, what experience did you have personally?

Mr. SNODGRASS. Well, when they went out on a strike they went out very good naturedly; they were just as friendly when they were leaving as they had been previously, but when I met those men a week or two afterwards they had completely changed their actions; they were distant.

Chairman WALSH. How many of the men that went out from Delagua went to the Ludlow tent colony?

Mr. SNODGRASS. Nearly all of them went to the colony, went directly to the colony. Very few stayed at the colony; they did not like it there; and after they had been there a week or so, some moved to other places, to Trinidad, Aguilar, or other places where they could get houses; they did not like the idea of living in tents. I don't know just how many stayed at the colony, probably 50 out of the 250 stayed at the colony.

Chairman WALSH. Were you present when any violence took place on either side?

Mr. SNODGRASS. I was present when there was violence at our camp, at the Delagua mine.

Chairman WALSH. Just describe that, and please confine yourself to first-hand information, what you saw yourself.

Mr. SNODGRASS. All right, I will do so. We had trouble there on three different occasions.

Chairman WALSH. When was the first one?

Mr. SNODGRASS. The first occasion was on October 26, I believe; yes, on October 26.

Chairman WALSH. Just describe it, please.

Mr. SNODGRASS. The superintendent at the Hastings mine, which is located about 3 miles from our mine, telephoned me that there was a bunch of strikers coming up the canyon back of the camp from the Ludlow tent colony, presumably headed for our place, and I sent six men out to head those men off so they would not get to the camp. They came up the canyon to our reservoir—

Chairman WALSH (Interrupting). Who were the six men you sent out? What official capacity, if any, did they have? Were they guards or sheriffs or what?

Mr. SNODGRASS. Yes; they were guards.

Chairman WALSH. Were they what were called mine guards proper or deputy sheriffs?

Mr. SNODGRASS. Deputy sheriffs.

Chairman WALSH. What date was that?

Mr. SNODGRASS. On the 26th of October.

Chairman WALSH. And you sent them where?

Mr. SNODGRASS. Over to our reservoir, which is about a mile and one-half from the camp.

Chairman WALSH. In what direction?

Mr. SNODGRASS. In a northeasterly direction.

Chairman WALSH. Proceed.

Mr. SNODGRASS. Before they got there these strikers had reached that point. We have a caretaker living at the reservoir with his family and he had seen the strikers coming. He had climbed up on top of the mountain to see if he could see any of our men around any place.

Chairman WALSH. Were the strikers armed?

Mr. SNODGRASS. Yes, sir.

Chairman WALSH. What did they have, small arms or rifles?

Mr. SNODGRASS. They had rifles. And when the caretaker got up on this prominent point the strikers saw him and began to shoot at him. He was not

armed. They shot at him and also shot at his house and put several holes into his house where his family lived. When our men showed up on the scene there was a little shooting back and forth and the strikers went back down the canyon.

Chairman WALSH. Was there anyone hurt at that time.

Mr. SNODGRASS. No one seemed to be hurt.

Chairman WALSH. How were the guards armed?

Mr. SNODGRASS. With rifles.

Chairman WALSH. How many men were in the strikers' party, do you think?

Mr. SNODGRASS. I did not see them.

Chairman WALSH. How many were reported to you?

Mr. SNODGRASS. About 20.

Chairman WALSH. No one hurt that time and they went back up the canyon?

Mr. SNODGRASS. That is correct; nobody was hurt.

Chairman WALSH. Proceed.

Mr. SNODGRASS. Then, on October 28—

Chairman WALSH. October 28, 1913?

Mr. SNODGRASS. Yes; October 28, 1913, the strikers came up again. They came up from the same direction, and also a number came from the direction of Aguilar.

Chairman WALSH. How many were there that time?

Mr. SNODGRASS. There were about 150.

Chairman WALSH. Did you see them yourself?

Mr. SNODGRASS. I saw some of them.

Chairman WALSH. Your reports and all showed there was about 150?

Mr. SNODGRASS. That is what we thought, as far as we could see. They came within about three-quarters of a mile of the camp, and we had some men out to keep them from coming in. There was considerable shooting but nobody hurt.

Chairman WALSH. Did they come up a county road?

Mr. SNODGRASS. No; they did not follow any road.

Chairman WALSH. They came up the canyon?

Mr. SNODGRASS. Yes; they came up the canyon.

Chairman WALSH. How many men were engaged on your side in that shooting?

Mr. SNODGRASS. On that day? Twelve.

Chairman WALSH. Were they mine guards or deputy sheriffs?

Mr. SNODGRASS. Mine guards.

Chairman WALSH. How did you get the information that the strikers were coming up the canyon?

Mr. SNODGRASS. We had been telephoned the day before that they were coming and had been up all night getting telephone answers; and it was generally talked over the telephone from all sources—all night—that there was going to be trouble in the morning; that it was going to start at 5 o'clock, and it did start at 5 o'clock.

Chairman WALSH. Who, if anyone, directed or requested the deputy sheriffs to go down and meet them?

Mr. SNODGRASS. Well, I requested them to go.

Chairman WALSH. Who did you request, any particular one among them or all of them?

Mr. SNODGRASS. Well, I requested all of them to go.

Chairman WALSH. Now, then, was there anyone hurt in that scrlmmage?

Mr. SNODGRASS. No, sir.

Chairman WALSH. You say it took place about three-quarters of a mile from your mine?

Mr. SNODGRASS. Yes, sir.

Chairman WALSH. That is, the Delagua mine?

Mr. SNODGRASS. Yes, sir; no one hurt.

Chairman WALSH. When was the next time?

Mr. SNODGRASS. The next time was on April 22; there had been fighting around Ludlow a couple of days.

Chairman WALSH. That was after the Ludlow affair?

Mr. SNODGRASS. Yes. They had been fighting at Ludlow from the 20th.

Chairman WALSH. You were not present at Ludlow then?

Mr. SNODGRASS. No, sir.

Chairman WALSH. Did you go there afterwards?

Mr. SNODGRASS. Not for several weeks afterwards.

Chairman WALSH. Tell us what took place on the 22d?

Mr. SNODGRASS. On the 22d of April we had been informed by a man in Aguilar that the strikers were coming up the canyon—that is, on the 21st we were told they were coming up the canyon and getting out onto the hills. I sent some men out on the hills to keep them from coming into the camp, and they stayed out all day on the 21st, and we changed them and sent some more men at night and they stayed out all night.

Chairman WALSH. The militia were there at that time, were they not?

Mr. SNODGRASS. Not there; there were none closer than Ludlow. We had about—we had 12 men out during the night of the 21st, and at—

Chairman WALSH (interrupting). Twelve guards?

Mr. SNODGRASS. Yes. And at 4.45 in the morning the strikers came up to within probably 100 or 150 yards of where some of our men were stationed.

Chairman WALSH. Within the canyon or on the road or where?

Mr. SNODGRASS. On top of the hill—no road at all.

Chairman WALSH. No road?

Mr. SNODGRASS. No, sir.

Chairman WALSH. Was it on your property?

Mr. SNODGRASS. Oh, yes; it was a mile inside of our land, where our men were stationed. A large number of strikers came up there and they engaged our men and there were several hundred shots fired.

Chairman WALSH. Were you present?

Mr. SNODGRASS. I was in the camp; I was not on top of the hill.

Chairman WALSH. How many men did you have there?

Mr. SNODGRASS. I had 12 on the hill that morning.

Chairman WALSH. Who were the 12 men you had there; do you remember their names?

Mr. SNODGRASS. I remember a number of their names.

Chairman WALSH. Were they the same 12 that went out before?

Mr. SNODGRASS. Some of them were the same.

Chairman WALSH. How many did you have altogether guarding the camp?

Mr. SNODGRASS. At that time we had 12 regular men, and then we had a number of men working in the mine who could be depended on to help in case it was necessary.

Chairman WALSH. How many?

Mr. SNODGRASS. We had 12 regular men; and then we had a number who were working in the mine on whom we call to help us in case of trouble.

Chairman WALSH. Now, were there any individuals among those men that were in command of the others, or did they all have the same authority, or how was that?

Mr. SNODGRASS. Well, of course, we had a man who was in command.

Chairman WALSH. Who was that?

Mr. SNODGRASS. His name was Vanderleur.

Chairman WALSH. Had any of these men, or how many, if any, had worked for your company before this trouble?

Mr. SNODGRASS. Before the strike?

Chairman WALSH. Yes; before the strike.

Mr. SNODGRASS. About half of them.

Chairman WALSH. In what capacities had they worked?

Mr. SNODGRASS. Some of them had worked in the store, some had worked at the mine as laborers or motormen and coal diggers.

Chairman WALSH. Who, if anyone, directed them to be commissioned, or asked them to be commissioned?

Mr. SNODGRASS. I asked them.

Chairman WALSH. Among the others, the other half that had not worked in the mines, where did they come from?

Mr. SNODGRASS. They were men that had come there to work in the mine. They came from different points; I don't know just exactly. Some lived on farms above the mine as ranchmen.

Chairman WALSH. Who hired them?

Mr. SNODGRASS. I hired them.

Chairman WALSH. And when you hired them, how did you get them commissioned?

Mr. SNODGRASS. We asked the sheriff to commission them.

Chairman WALSH. Who was the sheriff.

Mr. SNODGRASS. Mr. Gresham.

Chairman WALSH. And what direction or instructions did you give these men at the time you appointed them?

Mr. SNODGRASS. I simply told them we wanted them to protect the property; to stay on the property lines.

Chairman WALSH. What compensation did they receive?

Mr. SNODGRASS. They were paid \$3.50 a day for their services, and when they worked in the mines they got the regular scale of wages paid in the mines. They were not always employed as guards. They were employed most of the time in the mines, but when we took them out for those services—

Chairman WALSH (interrupting). When did you employ the first ones?

Mr. SNODGRASS. We employed the first ones on the 23d of September.

Chairman WALSH. That was as soon as the strike was declared?

Mr. SNODGRASS. That was the day it was declared.

Chairman WALSH. And where did they get their arms?

Mr. SNODGRASS. We furnished them.

Chairman WALSH. What arms did they have?

Mr. SNODGRASS. Rifles.

Chairman WALSH. And where did you get the rifles? Were they at Delagua, or did they have to get them from some place else?

Mr. SNODGRASS. We got them from Trinidad or Denver, or—

Chairman WALSH (interrupting). Do you remember how long before the strike was called that you got them?

Mr. SNODGRASS. Oh, two or three days.

Chairman WALSH. You got them two or three days before?

Mr. SNODGRASS. Yes; we didn't have any arms before that.

Chairman WALSH. Who purchased the arms?

Mr. SNODGRASS. I presume the purchasing agent of the company purchased the arms.

Chairman WALSH. So far as you know, they came from Trinidad?

Mr. SNODGRASS. Yes; so far as I know.

Chairman WALSH. Just coming back to the third engagement you had there, the third trouble was on the 22d of April, was it?

Mr. SNODGRASS. Yes.

Chairman WALSH. Describe it, please.

Mr. SNODGRASS. When the strikers came up and engaged our men, our men had to leave because there were too many of them. Some of them came back; a couple were killed.

Chairman WALSH. You say some of your men were killed?

Mr. SNODGRASS. Yes.

Chairman WALSH. How many?

Mr. SNODGRASS. Two of those men that went up on the hill that morning were killed. Another who went up after the engagement started.

Chairman WALSH. What was the name of the first one who was killed?

Mr. SNODGRASS. His name was Chavez.

Chairman WALSH. And what was the name of the other?

Mr. SNODGRASS. Fred Dougherty.

Chairman WALSH. Both had worked in the mine before?

Mr. SNODGRASS. Yes.

Chairman WALSH. Were they men with families, or not?

Mr. SNODGRASS. Mr. Chavez had a family.

Chairman WALSH. How long had Chavez worked?

Mr. SNODGRASS. Worked for two or three years, off and on. He lived on a ranch above the camp and worked part of the season; part of the season he worked on the ranch.

Chairman WALSH. What was the other man's name?

Mr. SNODGRASS. Dougherty.

Chairman WALSH. How long did he work for you?

Mr. SNODGRASS. He had been there since December, 1913.

Chairman WALSH. Did you see the engagement in which they were killed?

Mr. SNODGRASS. Yes; I saw the engagement in which Dougherty was killed.

Chairman WALSH. How many men were with Dougherty?

Mr. SNODGRASS. Well, there were five of them started up the hill, four with Dougherty; but four of them got back. That is, they met these strikers, and it was too warm for them.

Chairman WALSH. Where did they meet the strikers?

Mr. SNODGRASS. Just at the top of the hill.

Chairman WALSH. And how far was that from the top of—from the mouth of the mine?

Mr. SNODGRASS. A quarter of a mile from the mouth of the mine. Dougherty was killed there. The other men got back.

Chairman WALSH. And this other man was killed?

Mr. SNODGRASS. Killed.

Chairman WALSH. That same day?

Mr. SNODGRASS. Yes; about an hour after the engagement started.

Chairman WALSH. That would be along about 6 o'clock?

Mr. SNODGRASS. I think it was along about 6 o'clock.

Chairman WALSH. Did the strikers continue to advance right down to the camp?

Mr. SNODGRASS. No; they came—some of them came within 200 yards of the mouth of the mine. They never got any closer than that.

Chairman WALSH. Describe that whole affair, please.

Mr. SNODGRASS. Well, when the shooting started I was asleep. I was called I got up. A lot of other people got up. We rustled up probably 10 or 15 men, gave them some guns, distributed them at different points about the camp.

Chairman WALSH. Rifles?

Mr. SNODGRASS. Rifles. And in about a half an hour the strikers showed up on a hill—on the top of a hill, about a quarter of a mile away. They were strung along the brow of the hill for about three-quarters of a mile—the length of the camp. They were shooting promiscuously into the camp, shooting at everybody they could see, so that our men shot at them whenever they could see them from the camp. Along about 5 o'clock the men started up to help the fellows who were on the hill; they got nearly to the top of the hill, but the strikers had got there first, so that they began to shoot at them and our men ran back, except the one who was killed.

Chairman WALSH. About how many strikers were there?

Mr. SNODGRASS. Well, we considered there were 250.

Chairman WALSH. What was the name of the man—your man—that was killed?

Mr. SNODGRASS. Besides the two I told you of?

Chairman WALSH. Yes; the last one you mentioned.

Mr. SNODGRASS. Karl Peterson was killed.

Chairman WALSH. Did he work for your people prior to this time?

Mr. SNODGRASS. Yes. And he was a noncombatant at the time.

Chairman WALSH. What was he doing?

Mr. SNODGRASS. He was a coal miner; and he was taking refuge behind a tree watching the affair. He left the hotel because the hotel was not protected. He was taking refuge behind a tree. He was more than 50 feet from me when he was killed.

Chairman WALSH. Were you engaged in the fight, yourself, were you armed?

Mr. SNODGRASS. I was armed. I was watching the thing.

Chairman WALSH. Had a rifle?

Mr. SNODGRASS. I had. Everybody was armed that could get anything, that could get a gun.

Chairman WALSH. Under whose command were your forces?

Mr. SNODGRASS. Well, I helped distribute the men, and after they were distributed, why, there was nobody in command of them. They were doing what they were told to do.

Chairman WALSH. Taking care of themselves?

Mr. SNODGRASS. Taking care of themselves; trying to keep these people out of the camp. There was another man killed, a noncombatant, Donovan, Dave Donovan, he was a carpenter—he was a man 70 years old.

Chairman WALSH. Working for your mine?

Mr. SNODGRASS. Yes.

Chairman WALSH. Where was he when he got killed?

Mr. SNODGRASS. He was on the street.

Chairman WALSH. Where was he with reference to yourself?

Mr. SNODGRASS. He was about a quarter of a mile from me. There were two noncombatants killed that morning. The shooting kept up until 9.30 in the morning, and during that time I had some one telephone to Hastings, to get some help. We did not have very many men, had only about 20 men armed, including those who were on top of the hill. We did not know where they were at that time. They had become scattered. About 9 o'clock the switch engine came up and brought some men from Hastings. I believe that some of those men were militiamen. And the Hastings people had phoned to Maj. Hamrock at Ludlow that the affair was on at Delagua, and he sent some men by rail. They came up within half a mile of the camp and got off the train and went up toward the hill. The strikers saw them coming and immediately retreated back in the direction of the militia.

Chairman WALSH. Did they have any fight with the troops there at all?

Mr. SNODGRASS. No; they left when they saw the troops coming.

Chairman WALSH. What other events occurred there that day, if any, or was that the end of it?

Mr. SNODGRASS. That was the end of it. The militiamen went over the hill to see if they could see anybody, and everybody had gone when they got up there.

Chairman WALSH. Was there any property destroyed at the Delagua mine?

Mr. SNODGRASS. No.

Chairman WALSH. What were your experiences, if any, after that? Did you have any other experience with them?

Mr. SNODGRASS. No; we had no more trouble after that.

Chairman WALSH. How many, if you know, of the men that went out on strike, returned?

Mr. SNODGRASS. Oh, about a hundred I know of.

Chairman WALSH. Was there any change in conditions at the mine September 23, after that strike was called, in any mine, so far as any conditions were concerned; were they paid any more or any less, or was there any change made in conditions?

Mr. SNODGRASS. None whatever; no change made.

Chairman WALSH. Now, is there anything else you care to state about the events that occurred around there that you saw that you think would enlighten the commission, Mr. Snodgrass?

Mr. SNODGRASS. There was very little else occurred at the Delagua mine. You see, we were 6 miles away from Ludlow, where the main trouble took place, and outside of these three engagements we had no particular trouble.

Chairman WALSH. How many men are there in your mine now that stayed in all the time?

Mr. SNODGRASS. I think there are 125.

Chairman WALSH. About 125?

Mr. SNODGRASS. Yes. Never went out at all during the trouble. There were some stayed part of the time; went away and came back again.

Chairman WALSH. How many new men have you that came in since the strike?

Mr. SNODGRASS. Well, we have now over between 475 and 500 men.

Chairman WALSH. Between 475 and 500?

Mr. SNODGRASS. Between 475 and 500.

Chairman WALSH. You are very near up, then, to your full equipment?

Mr. SNODGRASS. Yes.

Chairman WALSH. Your mine is running now, is it?

Mr. SNODGRASS. Yes, sir.

Chairman WALSH. Did you ever have a checkweighman in your mine?

Mr. SNODGRASS. We have two checkweighmen.

Chairman WALSH. Now?

Mr. SNODGRASS. Yes.

Chairman WALSH. How is he selected?

Mr. SNODGRASS. The checkweighmen who are employed—we have two weighmen, two places that we dump coal, two places that we weigh coal, consequently it is necessary to have two checkweighmen, if we have any. These men talked around among the miners and decided they wanted to have a checkweighman.

Chairman WALSH. When was that?

Mr. SNODGRASS. The two men went to the miners and said, "We would like to be checkweighmen." They circulated a petition among the miners in the mine where the men were working.

Chairman WALSH. When was that?

Mr. SNODGRASS. Oh, that has been two months ago. They circulated a petition; got the miners to sign the petition. When they had it signed they brought it to me, and, according to the law, it was necessary for us to allow them to have the checkweighmen. The law says that if a majority of the miners want a checkweighman they can have it. I simply took the petition, looked it over, counted to see if we had—if they had the majority of the miners.

Chairman WALSH. How are those checkweighmen paid?

Mr. SNODGRASS. You mean the amount of their salary?

Chairman WALSH. Yes.

Mr. SNODGRASS. They are paid \$100 a month if the miners work steady, or at the rate of \$100 a month if the miners work steady.

Chairman WALSH. Who pays them?

Mr. SNODGRASS. The miners pay them.

Chairman WALSH. How is the money collected to pay them? Is it taken out of their wages?

Mr. SNODGRASS. Yes. The mining laws state specifically how they shall be paid.

Chairman WALSH. How are they paid at your mine?

Mr. SNODGRASS. They are paid by deducting a certain amount from each ton of coal mined. They run a coal check, the same as a coal miner. They credit themselves with a certain tonnage each day to make their wages. That tonnage is deducted from the tonnage of the miners who send out the coal. There is no other way to do it and comply with the law. The law says that they shall do it in that manner, and that is the way they are being paid.

Chairman WALSH. Have you ever had a checkweighman in that place before?

Mr. SNODGRASS. No, sir.

Chairman WALSH. Did I understand you to say you never had a checkweighman before?

Mr. SNODGRASS. We never had a checkweighman before.

Chairman WALSH. Have these checkweighman worked steadily ever since the request was made upon you to appoint them?

Mr. SNODGRASS. Yes; they have worked all the time.

Chairman WALSH. Did you ever make a suggestion to the men that they get a check weighman?

Mr. SNODGRASS. No.

Chairman WALSH. Well, do they seem to want a checkweighman?

Mr. SNODGRASS. Well, it is hard to say. There are some of them whom I talked to, since the checkweighmen were put on, who state they would rather get along without one; but I don't know about the majority. I have not talked with the majority, but I think they are very well satisfied the way the thing is.

Chairman WALSH. Do you think it makes for better satisfaction among the men to have a checkweighman?

Mr. SNODGRASS. I believe in the long run they would be better satisfied.

Chairman WALSH. What have you observed with respect to the results of the checkweighman? Do they seem to get more tonnage—more weight or not?

Mr. SNODGRASS. No; it would be impossible for there to be any difference at all. They were getting what they sent out before, and they are getting that now. There is no difference. I have seen nobody who thought there was any difference in their weights.

Chairman WALSH. You say you saw nobody, what?

Mr. SNODGRASS. I say I have talked to nobody who thought there was any difference in the weights since the checkweighman went on. They seem to think they have got the same weights now as they always got from the companies.

Chairman WALSH. Has there been any other change at your mine except the installation of a checkweighman?

Mr. SNODGRASS. That is all.

Chairman WALSH. That is all. Thank you.

Mr. Gove, I understand those witnesses are not here, and I think you had something to put in. May we not utilize this time?

Mr. Gove. Very good.

#### TESTIMONY OF MR. F. E. GOVE.

Chairman WALSH. Now, Mr. Gove, I believe there were certain documents that Mr. Osgood said he would have you present. One of them, I recall was—well, maybe I will not try to recall them. Just indicate what you have, and we will put them in the record.

Mr. GOVE. The commission asked Mr. Osgood to produce here, or have me state, the rental at the Delagua saloon. For many years the saloon at that point—and, by the way, there are two instead of one, as he stated—has been based upon 20 cents per man for the men employed at that mine. Just before—

Chairman WALSH (interrupting). Well, analyze that, will you please, Mr. Gove. Just tell us—

Mr. GOVE (interrupting). If there were 500 men employed at the mine, the saloon rental would be \$100. That varied at different mines in times gone by. It has run from 20 to 30 cents per man in a small mine. The rental was based

upon 30 cents per capita allowance. There has been a good deal of criticism of that method, although it has always been in vogue, I think, in the State. And, from time to time, in recent years the different operators have changed that and put the saloon rental upon a flat basis. Then rental at the Delagua saloon from this time forward, and, in fact, the change was contemplated more than a year ago, will be upon that basis—\$100 per month.

The commission asked that Mr. Osgood cause to be prepared a statement of the wage scale at the Victor Co. camps; and I have here a typewritten list of that character. It gives the daily wage of all the the company men—timber men, track layers, trappers, trip riders, firers, etc. Those wages run from \$1.32 a day to \$4.60 a day, the \$1.32 being the trapper boy.

Commissioner O'CONNELL. And who is the \$4.60?

Mr. GOVE. The \$4.60 is the machinist. This statement also gives the men who worked eight hours and those who worked nine hours. In addition to that the price paid for mining coal appears, and at the different Victor Co. mines that price runs from 55 to 95 cents per ton. In addition to this at two of the mines a bonus for increasing the lump produced by the miners—a bonus of 1 cent for every per cent increase in the lump.

(See Gove Exhibit No. 1.)

I think the chairman asked whether a record of any kind was kept of the names and family relationship of men who applied for work. Mr. Osgood stated there was not, so far as he knew. Well, there is and always has been.

He was asked—I think I corrected him at that time, and a request was made that sample pages of such record be produced here. The record is not kept exactly as I thought it was, but I have here a page or two from the record during the year 1911. It shows the date of employment, the name of the employee, his check number, age, nationality, married or single, and then a column with respect to his family and where they live. If you care, I will read just a few to show you how they run?

Chairman WALSH. Very well.

Mr. GOVE. Here were men employed on the 3d and 4th days of August, 1911. On the 3d of August at that mine seven men applied for work. They were given their check number. One was 26 years old, one 38, and one 53; a Greek, an Austrian, a Mexican, a Mexican, an American, a Mexican, a Mexican. Three were married and three were single; one had a wife in Greece, one a wife and two children in the old country—that was the Austrian—one a wife in Mexico and one 10 children in Mexico.

On the next day there were some 10 or 15 employed. Most of them are between 22 and 30 years of age; four or five Slavs, two Montenegrins, two Italians, and three Greeks; about one-half were married and half single; one has a child in Delagua, one a child in the old country, one 2 children at Delagua, one 2 children and a family in the old country, and that is the general character of those two pages.

(See Gove Exhibit No. 2.)

The next is two pages from the 1913 record. Now, it so happens that during that time there were only two or three men employed each day and the character of them is about the same; young men for the most part; one a Jap, an Austrian, a Mexican, a Slav, Italian, Austrian, Italian, Mexican, Greek, Mexican, Greek, Mexican, Mexican, Jap, Italian, Italian.

Chairman WALSH. Just offer that, will you please, Mr. Gove.

(See Gove Exhibit No. 3.)

Now, do you also have a record of men that were discharged?

Mr. GOVE. This is the only record we have, and does not show that.

I will say this, in 1914 a new book was started, a more substantial affair, a great, big, bound volume. These other records were kept in little informal books; but in 1914 this book was started, and it does show—well, I see I am wrong about that. My impression was that in the new record we had a column in it showing when the men were employed and when discharged; but it does not appear here. Either my recollection is wrong or they have omitted, in copying, that column. This is the 1914 record.

(See Gove Exhibit No. 4.)

Chairman WALSH. They have no further record of what men were discharged or what the discharge was for?

Mr. GOVE. No. I suppose the pay-roll record would show when they were discharged.

Chairman WALSH. Yes; but not the cause of the discharge?

Mr. GOVE. Not that I know of.



Chairman WALSH. Very good. Now, what else have you there, Mr. Gove?

Mr. GOVE. Mr. Osgood was asked whether there were any written orders sent to the superintendents of the mines with respect to law enforcement and efforts to prevent accidents and things of that kind, and I think he said not as far as he knew. I have been to Mr. Murray's files, and Mr. Murray is the general manager of the company, and I find that scarcely a day passes that he does not write a letter or circular of some character to the superintendents, and I have selected here, for a period of a few months prior to the strike and for a few months subsequent to its inauguration, a few letters of that character—I started in February, 1913, and it runs down practically to date.

Chairman WALSH. Well, just submit those, will you please, Mr. Gove?

(See Gove Exhibit No. 5.)

Mr. GOVE (continuing). And in one of those circular letters Mr. Murray referred to the superintendents a pamphlet or book which he was sending them, and asked that they be widely distributed among the men in the camp. He got this up himself. It is marked on the outside, "Suggestions as to how to avoid accidents to employees of the Victor-American Fuel Co." It is printed in a half a dozen different languages and has different headings in it. This is the English, and there are a number of rules for miners; a page for drivers, a number for trackmen, timbermen, trappers, and so forth.

Chairman WALSH. When was that issued?

Mr. GOVE. The letter transmitting it would show. There is no date here at all.

Chairman WALSH. Have you the letter transmitting it?

Mr. GOVE. Yes; here it is [referring to Exhibit No. 5].

(Booklet entitled "Suggestions as to How to Avoid Accidents to Our Employees," issued by the Victor-American Fuel Co., in six different languages, was submitted in printed form.)

Chairman WALSH. Returning for a moment to that saloon proposition: You say hereafter the rent will be \$100 a month flat. Has the order been made?

Mr. GOVE. The order has never been made, because the decision was made shortly prior to the strike, and we have had no saloon since.

Chairman WALSH. Now, there is an amendment to the State constitution prohibiting the sale of liquor on and after a certain date in Colorado?

Mr. GOVE. That goes into effect, I think, the 1st of January, 1916; and there is a dispute as to whether it requires legislation to make it effective.

Chairman WALSH. What is the position of the company?

Mr. GOVE. The companies want to get rid of these saloons and always have been. They would be very glad if they could be wiped out.

Chairman WALSH. What is there to prevent them from closing the saloons in their own camp, or what is their policy with regard to it?

Mr. GOVE. Mr. Murray has tried a number of experiments in regard to his saloons. He has closed them entirely, with the result that then the men drift into Trinidad and never come back, or if they come back it is three or four days later. He has enforced a nontreating rule, which he found to be somewhat effective he thought, but it is a difficult thing to determine. He at one time tried cutting out all whiskey and strong drinks and confine the men to beer and wine, without any appreciable effect.

Chairman WALSH. Now, is there any other document there that we asked you to submit?

Mr. GOVE. I think nothing.

Commissioner O'CONNELL. Mr. Gove, will you explain why the men on the—I notice the machinists, blacksmiths, carpenters, engineers, etc., are marked nine hours on the list, as against eight for the men in the mines.

Mr. GOVE. The eight-hour law in this State is applicable only to underground men.

Commissioner O'CONNELL. Oh, I thought a later amendment made it applicable to all.

Mr. GOVE. No, sir; just underground.

Commissioner O'CONNELL. Just underground?

Mr. GOVE. Yes, sir.

Chairman WALSH. Briefly, what have been your duties with relation to the strike as attorney for the Victor-American Fuel Co., Mr. Gove?

Mr. GOVE. I am a member of the firm which has acted for many years as counsel for the Victor Fuel Co. Since this strike started my associate has been attending to his legitimate business and I have rather drifted into this strike matter, and have done very little else for the last year.

Chairman WALSH. Please state whether the company you represent has taken an active part in politics in the district where its mines are situated.

Mr. GOVE. It has not. Now, understand me about that; the people in Denver, the head officials of the company, have striven to keep out of politics. They have tried to keep their men out of politics, but it is utterly impossible; and I am not sure but what it is perfectly unfair to ask the men around these mining camps to give up their rights of citizenship and never mention politics in the local camps.

Chairman WALSH. Does your company contribute any money to either political party?

Mr. GOVE. It does not.

Chairman WALSH. Do they contribute any money, to your knowledge, to the election of any individuals in the districts in which their mining camps are located?

Mr. GOVE. It does not, to my knowledge.

Chairman WALSH. Does any other company, so far as you know?

Mr. GOVE. No; not so far as I know.

Chairman WALSH. Please state what part you have taken personally in supervising the publicity work for your company or for the operators generally.

Mr. GOVE. When we found that the newspapers and public press generally were printing what to us was most outrageous stuff we undertook to counteract that to some extent. The first effort at publicity was some time after this strike started. I wrote a statement, which we could not get the newspapers to print unless we paid them for it. That statement was printed in a number of papers in this State and paid for.

Chairman WALSH. Printed as an advertisement?

Mr. GOVE. Printed as an advertisement, and so labeled.

Chairman WALSH. Will you submit that, please, into the record?

Mr. GOVE. There is no date on this, but it was—I venture to say it was early in October.

Chairman WALSH. October, 1913?

Mr. GOVE. October, 1913. It was a statement of the position taken by the operators.

Chairman WALSH. You wrote that, did you?

Mr. GOVE. I wrote that myself.

(The newspaper clipping here referred to, entitled "Advertisement—a statement of the coal-strike situation," was submitted in printed form.)

Mr. GOVE. Some time later, and it must have been after October 15, about that time, another statement was prepared, and I wrote that myself, with the exception of the tabulated portion of it. The gist of it—the point in it is to show a long list of acts of violence committed invariably, as we insist, by the strikers.

Chairman WALSH. Were those incidents referred to in the statement of Mr. Osgood and in the statement of Mr. Welborn?

Mr. GOVE. Not one-half of them.

Chairman WALSH. Do you think they are all contained up to that time in that statement you have there?

Mr. GOVE. Well, yes.

Chairman WALSH. Please submit that, Mr. Gove.

Mr. GOVE. This gives the names of the outside agitators that were at that time conducting this strike—a list of a dozen or 15 from other States.

(The newspaper clipping here referred to, also entitled "Advertisement—A statement of the coal-strike situation," was submitted in printed form.)

I hold in my hand another advertisement. The Pueblo-Star-Journal had heard of a man by the name of Bettis running a small mine near Canon City who had signed up with the union and had some trouble and quit—had a strike. The editor of that paper wrote Mr. Bettis a letter asking him a number of questions as to the exact effect of his having signed up on his operations. He replied to the editor. We got hold of that correspondence, although it did not originate at all with the operators, and it was of such a character that we thought the public ought to know about that, and this contains that correspondence—questions and answers by that operator of his experience under the domination of the union.

Chairman WALSH. Those were advertisements, were they?

Mr. GOVE. So marked and paid for.

(The newspaper clipping here referred to, entitled "Advertisement—Recognition of the United Mine Workers of America handicaps both operators and miners," from the Alamosa Courier, December 20, 1913, was submitted in printed form.)

Now, this advertisement is simply the letter of the governor to the operators and the three miners who conferred in the governor's office at the time Secretary Willson was here. It is the governor's letter to the operators and miners and the response of the operators accepting the governor's proposition for a settlement of the difficulty.

(The newspaper clipping here referred to, entitled "Advertisement—Official correspondence on strike situation," from the Glenwood Post, December 6, 1913, was submitted in printed form.)

A great deal of talk and publicity has been given about the so-called starvation wages received in this State, and it was rather irritating to the operators, and we examined into and found out the facts, and after an infinite amount of statistical work on the part of the auditors of the company we advertised here "The starvation wages of coal miners," giving a complete, perfect, unquestioned copy of the pay roll of several mines. They show for themselves what they are—the wages for certain months at different times before and after the strike started.

(The clipping here referred to, entitled "Advertisement—Starvation wages of coal miners," from Colorado Springs newspaper, dated October 28, 1913.)

Commissioner LENNON. Does it indicate where two men worked together in taking out coal? Does it indicate what each man got?

Mr. GOVE. There is nothing in these statements to indicate whether—yes; I am mistaken about that; that point was covered. Where two men worked together the pay roll shows exactly the receipts of each one, and as a matter of practice two men always worked together and are paid separately.

Those figures were disputed and denied to such an extent that we requested Gov. Ammons to appoint an auditing committee to see whether they were correct or not. He picked out three public accountants here, and they spent approximately a week verifying them, and, so far as those notices are concerned, they found about three errors in all of them against the operators.

The strike leaders had a long advertisement in some of the papers that all they asked was the enforcement of State laws. This advertisement on the part of the operators showed that they had already formally in writing agreed to consent to their demand if their advertisement were true. That is in the form of a letter to the governor.

Chairman WALSH. Did you dictate all of those advertisements, Mr. Gove?

Mr. GOVE. I had nothing—oh, yes; I will say that I prepared those advertisements, although the material, as in the Pueblo instance, was not prepared by me.

Chairman WALSH. You were doing that on behalf of all of the operators?

Mr. GOVE. Yes; we were all in together. All meeting together.

Chairman WALSH. Did you have anything further to do with the publicity?

Mr. GOVE. No.

Chairman WALSH. Now, as to the publication of these bulletins by Mr. Lee, what, if anything, did you have to do with those?

Mr. GOVE. Absolutely nothing.

Chairman WALSH. That was solely the Colorado Fuel & Iron Co., and in so far as it relates to your company it is a donation from the Colorado Fuel & Iron Co.?

Mr. GOVE. Yes, sir; so far as I know.

Chairman WALSH. You know nothing about the employment of Mr. Lee, or his compensation?

Mr. GOVE. No. I did not know he was here until he was on the ground.

Chairman WALSH. That is all, Mr. Gove.

Mr. GOVE. Wait a minute, please. Some one has handed me a note. My attention is called to the testimony of Mr. Osgood as to the eight-hour day. I think that would be cleared up from the statement I have handed in.

Chairman WALSH. Thank you, Mr. Gove.

Mr. GOVE. Mr. Osgood, if the commission will permit me, had in his hand a typewritten statement taken from the State coal mine inspector's records, showing the number of men employed and the tonnage of the State for a long period of time. The same tabulation can be obtained from your own clerks and probably will be; but if you care to have it, I will be glad to put it in.

Chairman WALSH. Please offer it.

Mr. GOVE. Here it is, with the other articles referred to.

(See Gove Exhibit No. 6.)

(The witness also submitted in printed form newspaper article entitled "Advertisement—Starvation wages of coal miners," from the Daily News, October 25, 1913, and Pueblo Star-Journal, October 31, 1913; also article entitled "Advertisement—Miners' chief demands based on State laws," from the La Junta Democrat, November 17, 1913.)

Mr. WALSH, I suggested yesterday to Mr. West that the mental attitude of the operators during at least one period of this violence can be well obtained, if you care to have it, from a series of telegrams that I wrote at that time.

Chairman WALSH. To whom were the telegrams directed?

Mr. GOVE. They were directed to a friend in Washington, who had asked me to keep him advised. I suspected that those telegrams were going to official sources.

Chairman WALSH. Would you be kind enough to let Mr. Luke Grant, who is the gentleman that went over that correspondence with the mine workers yesterday, have that correspondence, and he will go over it, as far as it has bearing on this strike, and indicate to you that which he thinks ought to go into the record?

Mr. GOVE. I will be glad to do so.

Chairman WALSH. And put it in in that form?

Mr. GOVE. Yes, sir.

Chairman WALSH. Mr. Grant will go over that correspondence. That is all; thank you, Mr. Gove.

(See Gove Exhibit No. 7.)

Chairman WALSH. John Sanders.

#### TESTIMONY OF MR. JOHN SANDERS.

Chairman WALSH. What is your name?

Mr. SANDERS. John Sanders.

Chairman WALSH. How old are you?

Mr. SANDERS. Twenty-six.

Chairman WALSH. Where do you live?

Mr. SANDERS. Morley, Colo.

Chairman WALSH. Are you married or single?

Mr. SANDERS. Married.

Chairman WALSH. Have you any children?

Mr. SANDERS. One.

Chairman WALSH. How old?

Mr. SANDERS. The child is 14 months old.

Chairman WALSH. You are a native of what country, Mr. Sanders?

Mr. SANDERS. I was born in the United States.

Chairman WALSH. Whereabouts?

Mr. SANDERS. Pennsylvania.

Chairman WALSH. Are you a coal miner?

Mr. SANDERS. Yes, sir.

Chairman WALSH. Was your father a coal miner?

Mr. SANDERS. Yes, sir.

Chairman WALSH. Where was he a miner?

Mr. SANDERS. In Germany; also in this State.

Chairman WALSH. Did he mine in this country?

Mr. SANDERS. In Pennsylvania.

Chairman WALSH. Did he ever belong to the miners' union?

Mr. SANDERS. He always did.

Chairman WALSH. Where have you worked in coal mines?

Mr. SANDERS. I have worked in coal mines in Arkansas, Kansas, Oklahoma, Colorado, and New Mexico.

Chairman WALSH. Have you ever been a member of the United Mine Workers?

Mr. SANDERS. Yes, sir.

Chairman WALSH. When did you join that organization?

Mr. SANDERS. I joined the organization when I was 13½ years old.

Chairman WALSH. What was your business then?

Mr. SANDERS. Trapping—I started trapping in the mines.

Chairman WALSH. How long did you remain a member of the organization?

Mr. SANDERS. I remained a member of the organization seven years.

Chairman WALSH. In what States have you worked under union conditions?

Mr. SANDERS. Arkansas, Oklahoma, and Kansas.

Chairman WALSH. Did you go out on a strike when the strike was called, September 1, 1913?

Mr. SANDERS. On the 23d.

Chairman WALSH. On the 23d of September, 1913, did you go out on a strike?

Mr. SANDERS. I sure did.

Chairman WALSH. How long did you stay out?

Mr. SANDERS. I stayed out four months, up to a day.

Chairman WALSH. Why did you go out on a strike?

Mr. SANDERS. Just for the simple reason they had us all scared to death.

Chairman WALSH. Who had you all scared to death?

Mr. SANDERS. The people that was talking about the strike—some fellows that wanted them to go out on a strike.

Chairman WALSH. Who were the people? Name them.

Mr. SANDERS. Some of them were the Mackoways and Jack Mott, president of the Starkville Local.

Chairman WALSH. Anyone else?

Mr. SANDERS. Some of the Park boys, Parker, and George Weatherbee.

Chairman WALSH. What did they say to you?

Mr. SANDERS. They said, if we don't want to go out on a strike that day, we will be forced out in a little short time.

Chairman WALSH. What else did they say to you, if anything?

Mr. SANDERS. That is all.

Chairman WALSH. How many of them said that to you?

Mr. SANDERS. I can't remember, ever so many.

Chairman WALSH. These men you talked to, where they men that worked in the mine?

Mr. SANDERS. Yes, sir.

Chairman WALSH. Were you a member of the United Mine Workers on the 23d of September, 1913?

Mr. SANDERS. I was not.

Chairman WALSH. How long since you have been a member?

Mr. SANDERS. Of the United Mine Workers of America?

Chairman WALSH. Yes. How long had you been a member before that time? You told me you started as a boy as a trapper?

Mr. SANDERS. I was, up until I was 20, a member of the United Mine Workers of America.

Chairman WALSH. How old are you now?

Mr. SANDERS. Twenty-six.

Chairman WALSH. Why did you quit the United Mine Workers?

Mr. SANDERS. For the simple reason I didn't think I got a square deal from them.

Chairman WALSH. In what respect?

Mr. SANDERS. Because they didn't treat me—I didn't think I got treated the way I ought to be treated; they showed too much partiality.

Chairman WALSH. To whom?

Mr. SANDERS. To the men.

Chairman WALSH. In what way, Mr. Sanders, can they show partiality?

Mr. SANDERS. I will tell you the reason. There is people who can talk pretty good English, and educated, and those they do what is right with them, but foreign people that is not educated and can't talk, they won't do a thing for them.

Chairman WALSH. In what way can they help them and in what way can they hurt them—the union?

Mr. SANDERS. The condition of the mine, when a man works for so much, and he has done so much work in the mine, the boss may come around and not pay him what he thinks is right. If he is a foreigner and he complains to the boss, why, he will say "All right," and he won't do anything, but let it pass away without anything being done about it.

Chairman WALSH. How long did you work in Arkansas?

Mr. SANDERS. I worked in Arkansas for four years.

Chairman WALSH. At what place did you work?

Mr. SANDERS. I worked in Jenny Lind, Ark.

Chairman WALSH. Was it a union mine?

Mr. SANDERS. Yes.

Chairman WALSH. Did you belong to the union when you worked there?

Mr. SANDERS. Yes.

Chairman WALSH. Did you ever work at Jimstown?

Mr. SANDERS. Where?

Chairman WALSH. At Clarksville, in Arkansas?

Mr. SANDERS. I never did.

Chairman WALSH. How old are you now?

Mr. SANDERS. Twenty-six years old now.

Chairman WALSH. How old were you when you left Arkansas?

Mr. SANDERS. About 20.

Chairman WALSH. Where did you go after you left Arkansas?

Mr. SANDERS. I went to Colorado.

Chairman WALSH. To what place?

Mr. SANDERS. Berwind, at Tabasco, first of all.

Chairman WALSH. So the last place you worked under union conditions was in Arkansas?

Mr. SANDERS. Yes.

Chairman WALSH. How do coal miners' wages in Colorado compare with those paid in Arkansas?

Mr. SANDERS. I always got better wages in Colorado than any other State of the Union.

Chairman WALSH. Better in Colorado than in Arkansas, Kansas, Pennsylvania, or any other district in which you worked?

Mr. SANDERS. I sure did.

Chairman WALSH. Are you in favor of checkweighmen for miners?

Mr. SANDERS. I haven't got any objections.

Chairman WALSH. Do you want them, or do you not want them?

Mr. SANDERS. I am getting as fair weight without checkweighmen as I think I would with checkweighmen.

Chairman WALSH. Have you noticed any difference in earnings when you had a checkweighman and when you did not have a checkweighman?

Mr. SANDERS. I never did; no.

Chairman WALSH. How many hours a day do you work?

Mr. SANDERS. Eight hours a day.

Chairman WALSH. Would you be satisfied to work longer hours if you were permitted to do so by law?

Mr. SANDERS. Why, I don't know; I think eight hours will satisfy me in a coal mine.

Chairman WALSH. Did you go to the last election?

Mr. SANDERS. I sure did.

Chairman WALSH. Did you have anyone talk to you before you voted, or undertake to influence you in any way as to how you should vote?

Mr. SANDERS. I never spoke to anybody.

Chairman WALSH. Where did you vote?

Mr. SANDERS. In Morley, Colo.

Chairman WALSH. Was there a question submitted there as to whether or not workmen should be relieved of the assumption of risk for their own injury or death?

Mr. SANDERS. Why, I never heard of any.

Chairman WALSH. You never heard of any?

Mr. SANDERS. No.

Chairman WALSH. Was there any meeting held in the place where you were located? Any political meetings?

Mr. SANDERS. No.

Chairman WALSH. Was there any discussion—do you know whether they voted on what is called the initiative and referendum in this State?

Mr. SANDERS. I don't understand a word of it; I don't understand the meaning.

Chairman WALSH. When you went on strike, where did you go?

Mr. SANDERS. I first went to Trinidad and rented a house there.

Chairman WALSH. How long did you stay there?

Mr. SANDERS. Two weeks.

Chairman WALSH. Then where did you go?

Mr. SANDERS. To the Starkville tents.

Chairman WALSH. How long did you stay in the tents?

Mr. SANDERS. Three months and two weeks.

Chairman WALSH. What strike benefits did you receive?

Mr. SANDERS. Three dollars for myself, \$1 for my wife, and 50 cents for my child.

Chairman WALSH. What were the circumstances under which you returned to work in four months?

Mr. SANDERS. I didn't think it was enough to keep me in living at \$4.50 a week.

Chairman WALSH. What was the reason you went back; give us all the reasons why you went back.

Mr. SANDERS. One reason I went back was because I didn't get treated right in the tents, and the second reason was because I didn't get enough money, and for the third reason I didn't think there was anything but a graft to it, and I went back to work.

Chairman WALSH. Was there any person in the tent colony that made an effort to prevent your going back to work?

Mr. SANDERS. Yes.

Chairman WALSH. Who?

Mr. SANDERS. They didn't me; they told me I better stay out; but they told my wife, when I went to Morley to look for work—they told my wife that if she leaves me, I am a scab, and they used some other dirty names, and they tell her if she not live with me, they give her a fair home and give her all the money she wants and she don't have to work the rest of her life. The union offered that, some that came from town.

Chairman WALSH. What were their names?

Mr. SANDERS. I can't tell you; I did not ask her.

Chairman WALSH. She declined, of course, to do that; she refused?

Mr. SANDERS. Yes, sir; she refused.

Chairman WALSH. Was there anything said to you by anyone about going back to work?

Mr. SANDERS. Yes, sir.

Chairman WALSH. What was it?

Mr. SANDERS. They told me if I go back to work they get me later on.

Chairman WALSH. Who said that?

Mr. SANDERS. Jack Mott, for one; Jim Mackoway, for another; and three or four others, whose names I don't remember.

Chairman WALSH. Those were the same men who talked to you about going out in the first instance?

Mr. SANDERS. Yes, sir; the same men.

Chairman WALSH. You say you went out because you were threatened in the way you have described?

Mr. SANDERS. Yes.

Chairman WALSH. And you were afraid to stay in?

Mr. SANDERS. Yes.

Chairman WALSH. Why were you not afraid to go back; what change in conditions had taken place?

Mr. SANDERS. The soldiers was in the camp at that time.

Chairman WALSH. You went back, then, because you thought you had the protection of the militia?

Mr. SANDERS. Yes, sir; from the soldiers, if anything happened to me.

Chairman WALSH. Were you armed at any time, yourself?

Mr. SANDERS. I was in the tent colony; yes, sir.

Chairman WALSH. What sort of arms did you have?

Mr. SANDERS. I had a 30-30 rifle.

Chairman WALSH. What did you do with the rifle; did you have it during all the time you were in the tent colony?

Mr. SANDERS. No, sir; I did not.

Chairman WALSH. How long did you have it?

Mr. SANDERS. About three weeks.

Chairman WALSH. Where did you get the rifle?

Mr. SANDERS. I got it from Jack Mott, the president of the Morley local.

Chairman WALSH. What did he say to you when he gave it to you?

Mr. SANDERS. I just borrowed it to go out hunting.

Chairman WALSH. How long did you have it?

Mr. SANDERS. Three weeks.

Chairman WALSH. Had it been your intention to shoot any person with it, any of the officers or militia or mine guards?

Mr. SANDERS. I think I would, if they came to attack us.

Chairman WALSH. How many rifles were in the camp?

Mr. SANDERS. I think about seven or eight.

Chairman WALSH. How many men were in the tent?

Mr. SANDERS. I don't remember exactly; there were about 38 or 40—from 38 to 40 members.

Chairman WALSH. When you went back to the company, did you have any arms?

Mr. SANDERS. I did not.

Chairman WALSH. Did you have any arms except this rifle you had for three weeks in the camp?

Mr. SANDERS. I did.

Chairman WALSH. Where did you get that?

Mr. SANDERS. I fetched that with me from Oklahoma.

Chairman WALSH. What was it?

Mr. SANDERS. A .32 Smith & Wesson.

Chairman WALSH. Did you have that in the camp?

Mr. SANDERS. Yes.

Chairman WALSH. How did you come to borrow this other rifle, then?

Commissioner BALLARD. The one he brought with him was a revolver.

Mr. SANDERS. The other was a pistol, and I also had a shotgun.

Chairman WALSH. Did you have the shotgun during the time you were in the tent colony?

Mr. SANDERS. Yes, sir.

Chairman WALSH. That is all; thank you, Mr. Sanders.

Fred Sommers.

# TESTIMONY OF MR. FRED SOMMERS.

Chairman WALSH. What is your name, please?

Mr. SOMMERS. Sommers.

Chairman WALSH. What is your first name?

Mr. SOMMERS. Fred.

Chairman WALSH. Where do you live?

Mr. SOMMERS. Morley, Colo.

Chairman WALSH. What is your age?

Mr. SOMMERS. Thirty-seven.

Chairman WALSH. Are you married or single?

Mr. SOMMERS. Single.

Chairman WALSH. You are a native of what country?

Mr. SOMMERS. Germany.

Chairman WALSH. How long have you lived in this country?

Mr. SOMMERS. Since 1904.

Chairman WALSH. By whom are you employed at the present time?

Mr. SOMMERS. The Colorado Fuel & Iron Co.

Chairman WALSH. How long have you been working for them?

Mr. SOMMERS. Since 1906.

Chairman WALSH. Did you work in any other camps in this country?

Mr. SOMMERS. I worked in Pennsylvania.

Chairman WALSH. Whereabouts in Pennsylvania?

Mr. SOMMERS. In Luzerne County.

Chairman WALSH. Were you a member of the United Mine Workers of America there?

Mr. SOMMERS. Yes.

Chairman WALSH. You were there from 1904 to 1906, were you?

Mr. SOMMERS. Along about that.

Chairman WALSH. What was the first mine you worked in in Colorado?

Mr. SOMMERS. The Midway.

Chairman WALSH. Have you worked in any other mines under union conditions except those in Pennsylvania?

Mr. SOMMERS. No, sir.

Chairman WALSH. Did you go out on strike when the strike was called, September 23, 1913?

Mr. SOMMERS. No, sir.

Chairman WALSH. You have been working in the mines all the time?

Mr. SOMMERS. Yes, sir.

Chairman WALSH. Did anyone solicit you or suggest to you to go out on a strike?

Mr. SOMMERS. I was questioned about what I was thinking about doing.

Chairman WALSH. Who asked you?

Mr. SOMMERS. Some of the boys around Morley.

Chairman WALSH. What mine were you working in at the time?

Mr. SOMMERS. At Morley.



Chairman WALSH. How many men were working there along with you?

Mr. SOMMERS. I expect along about 100, or something like that.

Chairman WALSH. How many went out on strike?

Mr. SOMMERS. The day the strike was called there was hardly any left.

Chairman WALSH. How many went out finally?

Mr. SOMMERS. I couldn't exactly tell.

Chairman WALSH. You say there wasn't hardly any left; how many were there? Some of them went out?

Mr. SOMMERS. Oh, yes; along about—it was along about 20 or 21 men, I guess.

Chairman WALSH. Who was it asked you to go out?

Mr. SOMMERS. Well, I was not exactly asked to go out; they questioned me what I was thinking about the whole thing.

Chairman WALSH. You were just questioned as to what you thought about it?

Mr. SOMMERS. Yes.

Chairman WALSH. Who questioned you?

Mr. SOMMERS. McAvee.

Chairman WALSH. Who was McAvee?

Mr. SOMMERS. A miner working there.

Chairman WALSH. Did you know that he was a union man?

Mr. SOMMERS. Yes, sir.

Chairman WALSH. Did you know that he was a union man before the strike?

Mr. SOMMERS. Yes, sir.

Chairman WALSH. How long had he been there?

Mr. SOMMERS. He was raised down there; born down there.

Chairman WALSH. He was born and raised around there?

Mr. SOMMERS. Yes, sir.

Chairman WALSH. What did McAvee say about going on a strike?

Mr. SOMMERS. We had a convention about going on a strike. I sees him after he come back and he told me that he went on strike; told me he want to know what I was going to do about it.

Chairman WALSH. And what did you say?

Mr. SOMMERS. I told him I hadn't seen no reason to go out; was doing all right.

Chairman WALSH. Did anyone else speak to you about it?

Mr. SOMMERS. No, sir.

Chairman WALSH. Did anyone threaten you or intimidate you?

Mr. SOMMERS. No, sir.

Chairman WALSH. Threaten you with violence?

Mr. SOMMERS. No, sir.

Chairman WALSH. Sir?

Mr. SOMMERS. No, sir.

Chairman WALSH. How do coal miners' wages in Colorado compare with those in Pennsylvania, where you worked?

Mr. SOMMERS. Well, they are better.

Chairman WALSH. You say better? Would you say how much more you earn here than in Pennsylvania?

Mr. SOMMERS. I got several statements.

Chairman WALSH. How is that?

Mr. SOMMERS. I got several statements in my pocket. If you wish.

Chairman WALSH. I would like you to submit those, please. When did you make these statements, Mr. Sommers?

(See Sommers exhibit.)

Mr. SOMMERS. Along about when the strike commenced—a little bit before and after, I think it is. There is a couple that ain't here. I could get that if you wanted it.

Chairman WALSH. How is that?

Mr. SOMMERS. There is a couple of them, I think, I lost.

Chairman WALSH. Of what you earned in Pennsylvania?

Mr. SOMMERS. No, sir.

Chairman WALSH. These are just statements of what you earned here?

Mr. SOMMERS. In Colorado.

Chairman WALSH. In Colorado?

Mr. SOMMERS. Yes, sir.

Chairman WALSH. These are the bills, or the statements, made by the company, showing your account with them?

Mr. SOMMERS. Yes, sir.

Chairman WALSH. For wages and deductions?

Mr. SOMMERS. And pay.

Chairman WALSH. And the pay?

Mr. SOMMERS. Yes.

Chairman WALSH. Now, I see they run along this way: Drafts, \$3. What does that mean?

Mr. SOMMERS. I think that is what they call a two weeks' pay. I think they call that a draft.

Chairman WALSH. What was the \$3 deducted for?

Mr. SOMMERS. Oh, it is probably a man needs powder or some such things.

Chairman WALSH. I see. But it says drafts, \$3; hospital, \$5; smithing, 50 cents; board, \$27; bath, 50 cents. They deduct that from your wages? What was the hospital fund here? Why should there be \$5 deducted? I don't understand that.

Mr. SOMMERS. That is probably a statement rendered. I made a little drawing on my pay.

Chairman WALSH. You made a little drawing—got a little money in advance?

Mr. SOMMERS. I got a little money at the time and that is probably what it is on that statement.

Chairman WALSH. There is a hospital fee of \$5. Do you know what that was?

Mr. SOMMERS. No; that must be a mistake.

Chairman WALSH. That must be an error, you think?

Mr. SOMMERS. Put in the wrong place.

Chairman WALSH. Would you allow these to be put in here?

Mr. SOMMERS. Yes.

Chairman WALSH. That must be a mistake of \$5?

Mr. SOMMERS. Yes; that is a mistake.

Chairman WALSH. How much did you actually pay for hospital fees?

Mr. SOMMERS. I believe 50 cents.

Chairman WALSH. Is that what you usually pay?

Mr. SOMMERS. I believe it is a dollar; I never looked.

Chairman WALSH. Do you know whether it is a dollar or 50 cents a month?

Mr. SOMMERS. I never—I think it is a dollar a month.

Chairman WALSH. Are you in favor of checkweighmen for miners?

Mr. SOMMERS. Well, it seems like the superintendent is coming around several different times, and if they wanted a checkweighman they could have one.

Chairman WALSH. No; but I am asking you, are you in favor of having a checkweighman?

Mr. SOMMERS. If the majority of the men, I would probably be along with them for a checkweighman.

Chairman WALSH. If a majority of the men would want one, you would go with them?

Mr. SOMMERS. Yes.

Chairman WALSH. Why do you want a checkweighman?

Mr. SOMMERS. It would suit everybody, I think.

Chairman WALSH. That is, if there was a checkweighman everybody would be satisfied that their coal was properly weighed?

Mr. SOMMERS. That everybody would have no kick coming that he would not get the right thing.

Chairman WALSH. Do you believe as a part of your experience that you got paid for all the coal that you mined?

Mr. SOMMERS. Yes.

Chairman WALSH. Whether they had a checkweighman or not?

Mr. SOMMERS. Yes; been several times in the weighing office watching it and always think I get the right thing.

Chairman WALSH. Why do you not belong to the union?

Mr. SOMMERS. Well, I didn't think that I had any reason in giving money, so I thought I didn't like to pay dues every month.

Chairman WALSH. You felt satisfied with the conditions that you were in and you didn't want to pay the dues?

Mr. SOMMERS. No; to help somebody else out.

Chairman WALSH. Did you have any other reason?

Mr. SOMMERS. No.

Chairman WALSH. Just simply that you were satisfied with your conditions and you did not want to pay the dues?

Mr. SOMMERS. I didn't want to throw no money away.

Chairman WALSH. Are you a voter in this country; are you a naturalized citizen?

Mr. SOMMERS. No.

Chairman WALSH. Did you ever vote here?

Mr. SOMMERS. No.

Chairman WALSH. Have you your first papers?

Mr. SOMMERS. No.

Chairman WALSH. Do you intend to become a citizen of the United States?

Mr. SOMMERS. I do now. I intended to go back to Germany first, only I didn't go.

Chairman WALSH. Where do you live at the present time?

Mr. SOMMERS. At Morley.

Chairman WALSH. That is all.

Commissioner LENNON. Do you believe wages and hours and conditions of miners in Colorado could have been as good as they are if there never had been any unions in the United States?

Mr. SOMMERS. Yes, sir; I believe they would.

Commissioner LENNON. Do you think the unions have not had anything to do with bettering the conditions of the miners?

Mr. SOMMERS. No, sir; I don't think they have. I think they make it worse sometimes.

Commissioner LENNON. All right.

Commissioner O'CONNELL. Will you explain what this 50 cents a month for bath is for? Do they charge you 50 cents a month for bath?

Mr. SOMMERS. Yes; they got a washhouse there, they got some hot and cold water; regular bathhouse.

Commissioner O'CONNELL. Every workman has to pay 50 cents a month?

Mr. SOMMERS. If he wants to. He don't have to if he don't want to go in the washhouse. He can go home or go wherever he pleases.

Chairman WALSH. That is all.

#### TESTIMONY OF JUDGE BEN B. LINDSEY.

Chairman WALSH. Please give us your name.

Judge LINDSEY. Ben B. Lindsey.

Chairman WALSH. And your business?

Judge LINDSEY. Judge of the juvenile court, Denver.

Chairman WALSH. How long have you resided in Denver?

Judge LINDSEY. Since 1880, I think, or 1881.

Chairman WALSH. I will get you to state whether or not you made any effort to bring about a settlement of the difficulty in the coal fields of Colorado.

Judge LINDSEY. I would like to ask, before I proceed, Mr. Chairman and gentlemen, for your indulgence, because I have been in bed with grip for about two days and suffering with some fever now, so if I do not make myself heard you will understand it is because of that difficulty. I am here under difficulty this morning. I will try to make myself heard.

I did make some effort as a citizen of this State, and in a measure as representing a good many other citizens, some time in the month of May, to do what I could to bring about an arbitration of this difficulty and a settlement as soon as possible.

On the 15th of May, in this city, following a number of meetings around the city, which meetings were called, in some instances, by sympathizers with the strikers, in other instances by those whose sympathies were against the strikers. Following those meetings there was considerable feeling here in Denver; I should say a feeling that approached real bitterness, if not hatred. That, I think, in a large measure developed somewhat into class hatred. You would feel it in the atmosphere, I might say. And growing out of these meetings and this agitation following the Ludlow disaster, a public meeting was called at the statehouse here for the 15th of May. I had nothing to do with the calling of that meeting; knew nothing about it until it was brought to my attention by a number of gentlemen and one or two women who had charge of it.

I think the meeting was called under the auspices of the Women's Peace League, if I recall correctly. The meeting was held in the house chamber of the statehouse, as I recall it, or in the senate chamber; at least, one or the other of these rooms. It was very largely attended, and a great deal of feeling felt in what I would call the atmosphere of such a meeting. At that meeting there were resolutions passed. A copy of these resolutions I hold in my hand. I would like to file them.

Chairman WALSH. Just submit them.

(See Lindsey Exhibit No. 1.)

Judge LINDSEY. And would like to read one sentence.

Chairman WALSH. Very good.

Judge LINDSEY (reading):

"In order that the facts and arguments which have led us to this conclusion may be properly presented to the President, we are resolved to appoint a committee of representative citizens of this State and proceed to Washington and request an audience. And furthermore invite representatives of the miners to appoint a committee of women who have personal knowledge of the horrors of the recent civil war to accompany our committee to interview the President, in order that he might be informed at first hand of the conditions against which this meeting protests."

These resolutions were passed. In substance they call on the people to urge that the Federal troops remain in Colorado; that a board of arbitration or committee of arbitration or mediation be appointed, or some sort of conciliation.

A day or two afterwards Mr. William Chenery, editorial writer of the Rocky Mountain News, with, I think, Mr. Randolph Walker; Mr. Newell, I think, of the Denver Express, and one or two other gentlemen at the time came to me with these resolutions. One of them, I forget which one it was, but I think it was Mr. Chenery, said that he had drawn or had assisted in the drawing of these resolutions, and that no committee had been appointed at this meeting; that they had certain reasons which they did not care to express as to why they did not care to have the committee appointed that night, for they were not permitted to know who they could get to serve; that they wanted to get some one who could get a hearing at the Capital, some one who was fairly well known in the Nation. And they wanted to create public sentiment in favor of arbitration of this strike. And Mr. Chenery called my attention to the News having advocated this in its columns as the best way out. I protested to those gentlemen that I did not care to undertake this mission, that I was engaged that week in helping the Denver University in a campaign that I was very much interested in—while the head of the university and myself have never agreed politically. I have always favored the good work of that university and helped it on all occasions that I could. And I had that work planned for the week. My wife was also ill, and about the latter part of June or July I expected to be away for my summer work, and it was a time when I did not want to go. I told them that I thought much more could be done if they could get some of the women who had charge of this peace league work to go on this committee. They said that they had consulted with a number of them who were influential and whom they thought might have some influence, but most of them were unable to go. There were many difficulties in the way and they felt that I was in a position to present the matter to the President, possibly, although they were not certain at all of seeing Mr. Rockefeller in New York. I discussed the matter with a large number of friends—quite a number—some of whom I supposed sympathized on both sides. I was urged by a great number of people—in the discussions of a day or two in the reluctance that I had expressed in my desire to get some others to go—that I could do what perhaps others could not do. What was needed was some publicity for both sides, especially the miners' side, of this difficulty. And the bigger questions, not so much who fired the first shot, the militia or the miners at Ludlow, but the big industrial, economic, and political questions involved, that had shaken our State more or less at different times in its industrial history. These things it was insisted I was more or less familiar with, and because they claimed that I was better known in the East than some others that I ought to go. I am merely stating their urgent reasons.

Among the people who urged me to go was the son of the late justice, Robert W. Steel, a number of women here in the city, and finally after several days' urging I want to say I never went into anything with more reluctance, on account of personal difficulties at home and other matters that I had already undertaken.

Up to this time I had taken no part in this strike controversy. But after it had been presented to me by these good people as a duty, as perhaps an opportunity to acquaint the country with the difficulties out here, and possibly urge through the public sentiment, we might create with Mr. Rockefeller and his friends in the East to consent to arbitration, and I decided to go.

There was but very little time in which to get ready. I had but very little time that I could give to the study of the case, but I had followed the testi-

mony in the newspapers. I had read Mr. Costigan's brief in part, some of his notes—he was one of the attorneys of the investigation—and I was assured I would be furnished with many affidavits taken at first hand by some of these ladies. I don't remember who; that I would be furnished with the testimony taken before the coroner's jury, and with the visits that I had made to the southern coal fields in the years past, visits to their hospitals, the industrial work, and other lines of work that I had personally visited and my general knowledge of these things that might be of assistance in making some presentation of the matter.

So we left Denver on the night of the 17th, I think it was, of May—Sunday evening the 17th. I carried with me certain testimony that was sworn to, and also testimony before the coroner's jury.

I would like briefly to refer to just a few lines in this testimony, and then ask permission to file it.

Chairman WALSH. Yes. We would like to have that filed, as we do not want any matter read, but just give a brief description.

(See Lindsey Exhibit No. 2.)

Judge LINDSEY. One or two things as to who set the tent colony on fire.

Chairman WALSH. Commissioner Lennon asks that you state who accompanied you on that trip?

Judge LINDSEY. Oh, yes; I intended to state that. I wish you would kindly ask me those questions. I am rather suffering from the fever, and I can not keep myself as consecutive as I would like. With us were Mrs. Lee Champion, one of the women who had gone down into the strike district, who consented to act as a member of this committee. I was told that Mrs. Judge Robert Steel had also consented to go. She afterwards expressed her regrets that she could not go because of difficulties at home that kept her—at least, engagements. These gentlemen asked them if my wife would not also go and accompany us; that Mrs. Champion would go; and when Mrs. Steel at the last moment, when I was informed that she could not go—she came to the depot to see us off—why, I prevailed upon my wife to go. She was really not in any physical strength to go, but she did. So that the committee consisted of these two women and myself. We agreed—Mr. Chenery, of the News, Mr. Newell, Mr. Walker, Mr. Costigan, Mrs. Steel, and several others I do not now remember—I have the notes somewhere—and perhaps we were a committee that might under the circumstances, since no committee was appointed, fairly represent a large number of people in this city who responded to these resolutions and whose feeling and sentiment was that something of that kind should be done.

On the same train, but not in the same car at the time, was a committee of the miners representing the miners of Ludlow. One of these women was Mrs. Jolly. One was a Mrs. Thomas. Mrs. Pearl Jolly is her name. Mrs. Thomas—I don't recall her initials—and her two children and Mrs. Petrucci, the woman who had been a victim, or supposed victim, of this so-called massacre, who had lost her children. I don't recall that there were any other of the women among the miners. Those were three that I recall.

When we found that they were in the next car—I didn't know myself until I came to the train for certain that they were going to accompany us or we to accompany them. In fact, I remember saying that as they were alone, and it seemed to me that they were on the train, that we invite them during the evening, under an arrangement with the Pullman conductor, to come back in the same car; that these women seemed to have no man with them, no one to look after them, and they had these children along. And Mrs. Champion and my wife, after consultation with some of them, thought it would be better that we go together, as long as we were going to be on the same train two nights and a day.

All day the next day on the train, or practically all of it, I busied myself in going over this testimony. I had some 16 affidavits and perhaps more, but 16 I remember counting and making a note of. These 16 affidavits, with the brief of the attorneys, and Mr. Brewster's and Mr. Costigan's; some newspaper files; statements from, I think, Rev. William McDonald and Rev. Mr. Cook, and a statement from Mrs. Lee Champion and others. It occupied the greater part of my attention during the day. I made copious notes on these statements and marked some of the evidence and just a few lines from a few of these affidavits, as I filed them. I would like to read from the affidavit of Maria Chaves, in which she says along the line of the Ludlow disaster: "And we stayed in the cellar all day until the soldiers took us out, about 3 or 4 o'clock

in the afternoon. They would come inside of the tents and take the best things and then set fire to the tents. I don't know how they set the fire, but I know that they set the tents on fire. I lost all my personal effects in this fire. I had \$250 in the sewing machine that my husband's people had sent, and I lost all of that." This was signed and sworn to by Maria Chaves.

Mrs. Jolly personally knew a great many of these people, and I consulted with them from time to time as to the reliability of these people.

Affidavit of Mrs. Alcarita Pedregon. She swears, among other things: "I seen a militiaman come over there and look inside the tent and strike a match and set fire to the tent. I stayed in the tent until it was all burned up. There were 11 children and 2 women suffocated with the smoke where I was. I lost two children in this cave when the tent burned. I don't know where my husband was at this time. I looked up out of the hole and saw the soldier set fire to the tent with a match. I lost everything I had in this fire." This last with reference to the Ludlow disaster, as some object to calling it, I believe, massacre.

This is the affidavit of Mrs. Ed Tonner—just a few lines from this: "Mr. Snyder came along and he said, 'My oldest son Frank has half of his head blown off,' and he said, 'If your children won't lay down slap them'"—

Slap them, I think it should be, if I may correct it—"slap them and make them lay down rather than have them killed," he said, and he held out his two arms like that [indicating], and they were full of blood, and it seemed that after he left his tent that the machine guns turned loose all the more. My tent was so full of holes like it was like lace, pretty near. It could have been about 4 when little Frank got his head hurt, and a little while after this they tried to set the tents on fire. I kept bobbing my head up and down, and Mr. Filer said, 'For God's sake, keep your head down, or you will get it blown off.' About 6 o'clock they turned around and tore the tent between the two tents, and they set the broom on fire with coal oil, and they set the tent on fire, with me right underneath with my five little children; then Gusta Reilich, she helped me out with the children, grabbed them up, and then we run to a Mexican lady's tent farther down, and then Louie the Greek helped me; he helped me down into a hole and threw water in my face, as I was fainting, with all the children."

Next, an affidavit from Mrs. James Fyler. Among other things, she says: "And when he got to the tent colony Mrs. Dominsky and I were standing there—we were the only two that were right out in the crowd—and I walked over to my husband—he was looking for a pair of field glasses—and I asked him if he had saw my boy, and he told me 'No; he had not,' so then they just shot off one of the bombs and one of the machine guns on the D. & R. G. tracks; those were the first shots that were fired, and Louis waved his handkerchief at us and said, 'Good-by, I will never see you any more.' So then we made our escape to the pump station."

This is an affidavit of Ometomica Covadle, an Italian woman, apparently, who, among other things, says: "And the soldiers came up and tried to shoot inside where we were, and then came out of the pump, when they tried to shoot with the machine guns, and went into the arroyo. There was two dead men, and they jumped right on top of them. Couple of soldiers came out of the arroyo, and was going to kill both of us, and little boy raised up his hand and said, 'Don't shoot, for my mother's sake.'"

The next is an affidavit from Mrs. Ed Tonner, evidently a second affidavit. It seems this was a supplemental affidavit: "When Mr. Linderfelt came into camp with his auto load of ammunition I heard Mrs. Costa crying, and she began praying Santa Maria, and begging him not to kill her and her little children, and he replied to her, 'There is no use of you crying and carrying on, as we have orders to do this, and we are going to do it; no mercy on any of yous.'"

Next is an affidavit of Mrs. Clorinda Padilla: "I came out of the tent for a minute to get something for the children to eat, and while I was out there they began shooting again, and a bullet came close to me, and then I went back into the hole. At sometime late in the afternoon they started to burn the tents. When the tents were first fired they did not burn my tent; later in the evening the soldiers came back to fire the rest of the tents and they heard my children crying, and they said there is a family in there, and they helped me out and took me and the children to the depot; while at the depot three Mexican guards got mad at the women and said that they ought to be burned in the tents."

Here is an affidavit furnished me among others, signed by George R. Churchill. He is speaking of this commission headed by Maj. Boughton. I do not care to read it at length, it is quite lengthy and rather prolix: "On Thursday they asked us a few questions. They asked us if we knew anything about the fighting"—

This is the commission composed of Maj. Boughton and Van Cise—"about who started it. We told them we did not know anything about it."

Affidavit of Mrs. Marian Derr—this is not an affidavit, it is simply signed: "About 9 o'clock Monday morning, the 20th, I was washing my hair when my husband came in and said to me 'Come here quick to me, come here quick, I want to show you something.' He pointed up the C. & S. E. track to the left side of the steel bridge. I looked and saw two machine guns and saw men fixing breastsworks, and men all along the track with rifles. Two men on horse-back came galloping down from the direction of the steel bridge in a very great hurry. They passed me and met a number of other men, I presumed, to get orders, then all turned and started back in the direction of the steel bridge. As they passed us one of them, a Mexican, shouted 'Good, we're off.' I ran across to warn my neighbors. I noticed several men on the ball ground. I had not noticed any excitement at the tent colony. I came right back home. Then the bombs went off, and the machine guns and rifles began. We immediately went to the cellar. We occasionally put our heads up out of the cellar-way and watched.

"Shortly after the bombs went off we could see men with rifles, with mining caps on, as though they had come out of the mines, come across between the cars, from the direction of the military camp. During the day my husband and I stuck our heads up out of the cellar, and a fellow in uniform cursed my husband terribly. He pointed a gun at my husband and asked him if he was a son of a b—— and a red neck, and said if he was he would kill him. I pushed my husband back into the cellar and told the man we were not strikers but railroad people. He said, 'What in hell are you hiding for?' I told him we had to, on account of the shooting."

Here is the affidavit of Mrs. Maggie Dominiske, that was furnished me, speaking of the Ludlow trouble: "Tikas then asked"—

Speaking of the soldiers—

"if Maj. Hamrock was up at the military camp. The soldier said 'Yes.'"

It seems that the soldier had arrested some man—

"Tikas told the soldier he would like to speak to Maj. Hamrock. Then they went away, the spokesman saying in a mean manner, 'All right, we'll be back again.' We went back to Mrs. Jolly's house to get the pictures I was looking at when I went home, put them in an envelope, and have them all ready to send, when some one called, 'Look out for trouble, the militia is coming.' My children had just got out of bed, and were not all dressed. I ran out to see if the militia was coming. When I got out I met Mrs. Thomas who said, 'We had better take our children and go to the pump station, for I think there is going to be trouble.' I did not think myself that there would be, but I told her to take my children and if anything did happen they would be there. I then went over to where my husband was in front of the tent colony, when I saw Tikas running toward the colony waving a white handkerchief, and when he was near the tent colony one bomb was fired."

Those as showing who fired the first shot, if they were reliable at all, and I am sure they were.

Now, I would like the privilege of reading this paragraph from the affidavit and testimony of William Snyder, the father of this little boy, because when I was in the East, while I made no such statements as the newspapers attributed to me, I took particular pains to call upon the Associated Press and tell them I did not, I have been misquoted and maligned about it. My contention was that the affidavit in regard to the militia as alleged in this testimony was just about as bad as the rather mixed-up and confused detail that was published.

Snyder says: "I myself, not being armed, stayed on the tent-colony ground to protect my family to the best of my ability. About 4.30 p. m. the thugs or militia right flanked our colony and shot through my tent and killed our boy, showing clearly that they did not stop to see whether there were any women or children on the colony ground or not. Just previous to the time the boy was shot he got out of the hole or cave, where my children were, to get his sister a drink of water; and as the firing had slackened the children had left the hole, being out of the hole from five to eight minutes, and stepped into the bedroom of my tent. The boy Frank was sitting in the chair with

his sister on the floor between his knees, and he was in the act of stooping to kiss or caress his sister, when the bullet struck him above the temple on the right side and blew his brains out.

"I was standing near the front door of my tent and I heard the impact of the bullet striking the boy's head and the crack of the bullet as it exploded inside of his head. The boy was killed by an explosive bullet. I went to the boy to render what assistance I could, and while falling caught him in my arms, and in the act of letting him down to the floor two more bullets passed over me in the tent. Then I went to the hole where my family and children were, and seeing the boy in his death struggle went to him again; was in the act of washing his face when another bullet went over me. The firing became so heavy that I went to my family and stayed in the cave with them until they burned the tents. They fired this tent of mine by standing by the south-east corner with a piece of paper on fire in their hands, and as the tent was blazing they came in the tent. This I observed by looking out of the hole where we were located. As the tent was in flames, they opened the door and came in, and then my wife pleaded to save her children, telling them they had already killed one, and, for God's sake, to save the others. Whereupon this officer assisted Mrs. Snyder from the hole, and the other children.

By this time there were five or six of the militia or thugs in the tent and wanted to kill me. And I asked them to let me get my dead boy to the depot, and to which this officer consented, after cursing me, putting a gun to my head and threatened to kill me; and on leaving the tent with the corpse I laid him down outside the door and put on my coat, and I requested of some one to help me carry this boy to the depot, when I was told that I was big enough to carry him myself, and which I did, over my shoulder, and my 34-year-old daughter in my arms; when George Titsworth, sr., who, to the best of my knowledge, set fire to the tent, threw a gun on me and said, 'You God damn dirty son of a bitch, I ought to kill you right here; you have fired as many shots as anybody,' and he touched my head, or nearly so, with his revolver and said, 'I will kill you.' My wife pleaded in behalf of her dead boy to let us get him to Trinidad, and this officer escorted us to the depot; but on passing Snodgrass store, at Ludlow, Linderfelt threw his flashlight in my face and wanted to know what 'God damn red-neck S. B.' they had here; when Mrs. Snyder says to Linderfelt, 'Please don't shoot him, they have killed one of my children already,' when Linderfelt says, 'It is a damned pity that all of you damned red-necked bitches were not killed.'

Chairman WALSH. Are those affidavits—

Judge LINDSEY. Most of the originals were in Washington and given to a stenographer to be copied, and some of them were returned to Mrs. Lee Champion.

Chairman WALSH. I was going to say I am afraid we will not have time to read them all, as we want to finish by to-morrow noon. Will you just give a description of them—for instance: "Affidavit of John Smith, covering so and so"?

Judge LINDSEY. I will not read them further. I want to say that the testimony given before the coroner's jury was given here of Mr. Hall, that he heard—

Chairman WALSH. Is that the coroner's jury at Ludlow?

Judge LINDSEY. Yes. If you have the testimony, it is unnecessary to read it.

Chairman WALSH. Yes; we have the testimony.

Judge LINDSEY. I do not care to say anything further than I read the testimony of Mr. Hall, in which he swears he heard the militia giving orders to blow up the tent colony—set fire to it. Mr. McDonald, the stenographer, that he heard a member of the militia order the tent colony should be burned. Mr. Snyder testified to the killing of the boy. Riley said that he saw the militia fire the tents.

Further, I have a letter from Mr. Hendrick saying that is a correct copy of the testimony; affidavit of Mary Petrucci, a woman whose children were burned up; affidavit of Mr. Harriman, the railroad man, who said the militiamen told him they were going to burn up the tent colony.

When we got to Chicago we were received at the depot by a committee from the Hull House. Miss Jane Addams had wired me that a delegation of women would receive the ladies and expected the party to go to the Hull House, and all others, of course; but especially the ladies. That she would have some of her friends there to hear the story of Mrs. Jolly and Mrs. Thomas. My wife became ill on the train and I had to go with her to the hospital. I do not recall talking to any newspaper man until later in the day, and I was somewhat sur-



prised to find myself, in an early afternoon edition, saying some things which I did not say, which was our common experience in these matters. Some things were so confusing, no doubt—honestly confusing.

They had a meeting at Hull House. I got there late. These ladies told their story. They also had a meeting at the School of Philanthropy that is conducted by Prof. Graham Taylor, of The Chicago Commons, and other people of that type. These ladies there told their story. I made a brief address, called attention to the fact that the coal companies and other large corporations in Colorado had been notoriously lawless in their methods in this State, politically and industrially; and, in my judgment, that accounted for a good deal of the lawlessness—and there was lawlessness on both sides, of course.

We were supposed to get into Washington early Wednesday morning; we did not arrive until Wednesday afternoon, on account of sickness of one of our party. I had a very cordial letter from Mr. Tumulty to come to the White House, that the President would be very glad to see us. Mr. Tumulty, because of the delay, wrote me that the President had intended to give us the better part of the forenoon on Wednesday. We were to arrive in the morning, and he had set it aside for our convenience, to present this evidence and any statement we cared to make, also a proposition of settlement, which was the important thing. He said owing to the fact we were unable to arrive on time the President could not give us as much time the next day as he had arranged for on Wednesday, but he would give us such time as he could, and to be at the White House at 12 o'clock Thursday morning. That, I think, was May 19 or May 20.

Before I went to see the President I discussed this matter with a number of Congressmen. One or two of these Congressmen told me that Mr. Rockefeller had treated the President of the United States with contempt, that he had ignored him, that he had refused to listen to anything—that they thought he ought to listen to the peace proposal of the President that had been attempted in the November before, and they were rather indignant about the matter. They simply made that as their own statement of the matter.

I was advised to see Secretary Lane and argue with Commissioner Lane—or Secretary Lane—the right of the President to appoint an arbitration committee and the right of the President to compel both sides to consent to that committee investigating the matter and planning some mediation or settlement.

I went to the office of the Secretary of the Interior by engagement and arrangement with a Congressman, about half past 9, I think it was, the next morning—Thursday morning I think that was. And Mr. Lane first said that he would give me 15 minutes; that he was very busy. When we got into the conversation he gave me more than an hour. He was very much interested. Mr. Malone, who was formerly secretary to Gov. Shafroth, happened to be in Washington, and was one of the ablest constitutional lawyers in the State, and when I went to see the Secretary I brought Mr. Malone along. For the better part of an hour we argued with Secretary Lane the constitutional aspects of the situation, the legal right of the President to appoint an arbitration committee, the right of the Government to force the contending parties to consent to have it arbitrated. I understood that Secretary Lane would present this matter to a Cabinet meeting. I do not wish to say that Mr. Lane told me that. I have a copy of the newspaper here in which it is stated that there was a Cabinet meeting held later, after we had seen Mr. Lane, and he had presented the argument to the President that we had made.

I then returned to the hotel after the conference and argument with Mr. Lane and going into the constitutional question, the right of the President, about which they seemed to have some doubt. At 11.30 we went to the White House. The entire committee—delegation—went along. The committee—that improvised committee, you might say—that grew out of the circumstance that I have mentioned is the only committee that ever did anything or went anywhere in response to a resolution mentioned, and the committee from the miners, with these miners' wives, Mrs. Thomas's little children. The President very cordially received us, and while he said that 15 minutes was about all the time he could give he extended the time very generously. I do not know just how long we were there, but we were there for some time. He showed the greatest interest in the matter.

I do not care to go into the conversation I had with the President of the United States, but to say briefly that I told him that of course there were rights on both sides and that we deplored violence and deplored lawlessness, but we believed that he was the man who had it in his power at this time to bring about peace in our rather distracted State, that there was a great deal of bitter-

ness between all kinds of people that ought not to be, and that in our judgment it was the sentiment of many people in this State—and we believed the majority of the people, and that was our belief—that this should be arbitrated, that he should appoint a board of arbitration, and that if the two contending parties did not consent to it that he should use whatever means he had under the law and the Constitution to compel them to consent. He doubted whether he had any such power, and he asked me to argue it before him. And I argued it, and in doing so I gave him as the reasons—I will state them as briefly as I can—that the governor of this State had confessed, in calling in the Federal troops, that the sovereignty of the State of Colorado had broken down, a government that was guaranteed us by the Constitution of the United States, a republican form of government, had ceased to exist. And that while there was no direct power in the Constitution to authorize a President to take measures that would force parties to agree to arbitration of a difficulty like this, that in my judgment there were necessarily implied powers. I referred to that fact and to some things President Lincoln had said as his attitude on that. I got this statement of President Lincoln's afterwards, and I would like just to read it here, because it is the substance of what I argued to President Wilson. President Lincoln, in a letter to Mr. Curtis, in his *The Republican Party* (Vol. I, p. 406) :

"I did understand, however, that my oath to preserve the Constitution to the best of my ability imposed on me the duty of preserving by every indispensable means that Government—that Nation—of which that Constitution was the organic law. Was it possible to lose the Nation and yet preserve the Constitution? By general law, life and limb must be protected; yet often a limb must be amputated to save a life, but a life is never wisely given to save a limb. I felt that measures otherwise unconstitutional might become lawful by becoming indispensable to the preservation of the Constitution through the preservation of the Nation. Right or wrong, I assume this ground, and now avow it."

I told the President that in order to preserve our larger constitutional rights out here, in order to bring about peace and good order in this State, that it did seem to me that for the reasons mentioned, and possibly some others I do not recall now, that he would, if the necessity arose, as President Lincoln pointed out here, be justified in compelling the coal operators to consent to this arbitration.

The President was very much interested in this presentation, and said so. He said that one difficulty was that the States themselves, according to the decision of the Supreme Court of the United States, seemed to be the judges of what was a republican form of government. I argued that by the confession of the governor of this State, that the legislature had been in session—but even if he did not have the confession from the governor, he had it from the legislature, with all the authority of the State, the representatives of the people of the State—they had been unable to preserve law and order in this State, and therefore had called on him as the President. Now, he, as President, could take such measures as he saw fit and as seemed to him indispensable and necessary to preserve peace and order and the bigger rights of the people under the Constitution. He said he would consider that. He said that some foreign ministers—I think, of the Italian and Austrian Governments—had protested to him that their citizens were not safe in the State of Colorado, and that apparently, from this confession of the governor and this act of the legislature, that, in my judgment, amounted to a confession that the sovereignty of the State was broken down and the rights of these foreign citizens could not be preserved.

The President said that presented a nice question; that he was going to look into that and these other matters, and they would be considered. He said: "Judge Lindsey, I think this is a very important question with reference to all the people, and I want you to know that myself and others connected with the administration have done and want to do all we can within our legal rights to bring about peace and order in Colorado." I told him that I believed our people were thoroughly convinced of that, and we appreciated his efforts.

We had a big meeting at Rifles Army that night in Washington City. This meeting was arranged for by Mrs. Medill McCormick, a relative by marriage, I understand, of Mr. John D. Rockefeller, jr. I think—I thought the circumstances were very interesting as indicating to me one interesting thing in this struggle that was, in a measure, a class struggle, to have a relative of the Rockefellers—one of their class—to meet these women in Washington, at the

depot, as Mrs. McCormick did, and arrange for that meeting that they might have a hearing. It was, to my mind, a significant incident that ought to and deserves to go into the records of this commission. Mrs. McCormick and the other ladies are representative women of the suffrage organization in Washington, and they gave them every opportunity to present their side of it.

At the meeting at the Rifles Armory there were eight or nine Congressmen on the platform—Congressman Kent, Congressman McDonald, Congressman Evans, Congressman Bryan, of Washington, and others. I was told that in the audience were ambassadors from foreign countries. I was told, though I am not certain, members of the President's family were there. We received a very cordial letter from the President's wife—I refer to it with considerable feeling at this time—expressing regrets, because, as I have understood since, of the illness that proved to be fatal—at least, expressing regrets through her secretary that she could not attend the meeting. I understand the ladies had invited her. It was an interesting meeting, in that there were not only present very wealthy people, foreign ambassadors, consuls, Republicans, Democrats, Progressives, Socialists, and anarchists, I was told. And it was certainly a most interesting meeting. The floors were crowded to the limits. It was difficult, as I recall, to get in to the platform. The air was electrified and vibrated with feeling from both sides. Old-timers told us that not since the days of the Civil War had there been in the history of Washington City anything that seemed to take such hold upon the people and to interest them. Everybody said that if it did nothing else except to get them to thinking deeper about these questions, beyond the mere detail, they had not seen anything like this, and in fighting like this in an industrial struggle, there would be a good deal of good come out of it. There were congratulations showered upon these women from all sides. Mrs. Champion, representing the Women's Peace League, I think she said—I don't know—

Mrs. CHAMPION. The Women's Relief Association.

Judge LINDSEY. I beg pardon. Mrs. Champion is here, and she says it is the Women's Relief Association. I am glad to be corrected—the Women's Relief Association. Mrs. Champion, representing the Women's Relief Association, made a statement that was received with a great deal of appreciation and applause. The women told their stories, Congressmen made addresses. Congressman Evans, who was on the committee, talked at some length and told of outrages and lawlessnesses committed by the coal companies. Somebody else, I think, told the other side. Mr. George J. Kindel raised a commotion in the audience by getting up and making a fuss. At times we had difficulty in maintaining order, but on the whole it was a good meeting. Many prominent people sat on the front row, and the feeling, I must say, was quite a good feeling, a kindly feeling that this was a great and terrific struggle. There were no doubt faults on both sides, but it was one of the great social problems that had to be solved, and that was the general situation.

I came back to the hotel and I sent a telegram to Mr. John D. Rockefeller, jr. Before I sent that telegram to him I had written a letter to Mr. Fosdick, who, I understood, was one of the secretaries in charge of the white-slave traffic work that he has done so much good in trying to destroy. I wrote this letter to Mr. Fosdick particularly because I knew Mr. Fosdick. I have lectured with him at the City College in New York. He was a Princeton graduate and a friend of President Wilson's, so I am told, a very warm friend of Mr. Rockefeller, and a friend of mine. I would just like to read a sentence or two from that letter to Mr. Fosdick, if I may.

“Personal.]

“MAY 16, 1914.

“MY DEAR MR. FOSDICK: I have been asked by a number of citizens to be one of a committee to go to Washington City to see President Wilson in connection with the unfortunate strike troubles in this State. I have taken no part in the controversies going on, but if I could be of any possible service in bringing peace out of what is certainly the most dangerous and chaotic situation we ever faced in this State I would of course count it a public service. If I should come, my idea would be that the only possible way to avoid further bloodshed, expense, distraction, and difficulty in this State would be for the President to appoint an arbitration committee fairly representative of both sides, or at least so fair that neither side could afford to refuse to submit the situation to them.

“I am one of those who have grave doubts as to whether Mr. Rockefeller, jr., really appreciates the situation. While I can understand how he may be misled

and how his education and training may make him very sincere in what others as sincerely regard as a mistaken attitude, it does seem to me that if some one in whom he would place some trust and confidence could present a somewhat different aspect of the present situation than that which seems to possess him—from some of the public statements that have come from him and his advisers—I think it would do much to bring about a settlement of the present difficulties. The matter has ceased to be a mere question of a strike, and its success or failure is of small consequence compared to some bigger issues that have arisen and for which Mr. Rockefeller should have some consideration. Whether rightly or not, the feeling of the people in this State is quite general that Mr. Rockefeller has it in his power to bring about peace for us or to continue the present chaos.

"I am one of those who have appreciated his work against the white-slave traffic and his interest in some of our social problems. Now, I was wondering if I accept the request that has been made by a great many to go to see the President, if I could come over to New York and have a personal conference with Mr. Rockefeller, jr. I think I can say that it would be of such a character as in no way to embarrass him, and I would be glad, of course, to have you or anyone else whom he would wish present, although it would be a pleasure to have an intimate sort of talk with him regarding some of our problems, especially as bearing on the situation out here.

"With kindest regards, I am."

Chairman WALSH. I wish you would please describe the correspondence and offer it into the record.

Judge LINDSEY. Well, I didn't know if Mr. Fosdick had received that letter—I learned afterward he was away from New York.

Chairman WALSH. Please describe it without reading it into the record and then hand it to be put in the record.

Judge LINDSEY. I will do that. I would like to read the telegram sent Mr. Rockefeller.

Chairman WALSH. Have you the telegram? Just submit it after describing it.

Judge LINDSEY. I will. [Reading:] "I am having a conference with the President to-day over Colorado strike situation. Could I see you for a personal interview and chat over situation Sunday or Monday at time and place to suit your convenience? I earnestly hope you can grant this request. Answer Shoreham Hotel soon as possible."

I received a telegram from Mr. Rockefeller of two or three lines, in which he said it would be impossible for him to arrange any interview.

I arrived in New York—well, before I went to New York I wrote to Mr. Rockefeller a letter in answer to that telegram. I will file the letter. I want to say that he refused to see us at all. And I wrote a pretty strong letter, so strong that I afterwards changed it, toned it down some. I shall give you a copy of that letter I wrote. I will put in such copies of my correspondence, and Rockefeller will have others, if you want to get at them. I went out of the hotel and mailed it about three minutes before I got to the train. That was Friday evening, the 22d of May. I mailed the letter Friday afternoon. I got into New York Friday night.

The next morning, Saturday, 23d, a reporter from one of the newspapers came around, told me a number of reporters all were trying to create public sentiment to get Rockefeller to see us, and they thought he ought to be forced to see us, some of them said. I told them he had absolutely refused to see us, but that I had agreed to come to New York to address a meeting to be held there under the auspices of one of the labor organizations, and one other society, but not as reported in the newspapers, either socialistically or anarchistically. Then a reporter from the New York Tribune told me he had been to Rockefeller's office that Saturday morning and he talked with Mr. Heydt—I wouldn't be positive whether from the Tribune, but I think it was—and Mr. Rockefeller had not been at his office that morning, Saturday morning—he was still out at his country estate, and he would not be in on Saturday. He said he thought Mr. Heydt might make an engagement if I would call him up. I called up Mr. Heydt, Mr. John J., jr.'s secretary, about 1 o'clock—just 1 o'clock on Saturday. Mr. Heydt said that Mr. Rockefeller could not see me, which confirmed the report I had in Washington on Friday, a report from various sources, that he would not see anybody unless they represented his own people. I talked to Mr. Heydt for 20 minutes over the telephone. A member of the Progressive Party headquarters happened to be in the room at the time. I went over a great many of the questions there, why I thought Mr. Rockefeller ought to con-

sent to arbitrate; I believed it to be to his own interest to help to allay some of the feeling against him; from that standpoint, if from no other, I thought he ought to consent to do that. He said once or twice during the conversation that Mr. Rockefeller had sent me a letter early that morning, that I should have received it that noon. I said, "Mr. Heydt, I have received no letter, and it is now 1 o'clock." He said, "That is strange; it was mailed early this morning; you should have had it by noon." I said, "I have not received it." At 3.30 in the afternoon, according to the envelope in which the letter came, it arrived at the Imperial Hotel from 26 Broadway. I may state its contents were very startling to me. I have it here, and I would like to file it.

Here is the letter, 26 Broadway. I wish particularly to have the stenographer note that this letter is mailed from 26 Broadway, Hudson Terminal Station, May 23, 1 p. m., 1914, New York City, and there is a certain reason why I want that noted; and please note on the back the stamp as received at the Imperial Hotel by the clock at 3.30.

(The letter and the envelope inclosing the same, stamped and postmarked as described by witness, were here submitted. The letter is as follows:)

26 BROADWAY,  
New York, May 23, 1914.

Hon. BEN B. LINDSEY,  
*Hotel Imperial, New York City.*

DEAR SIR: Your letter of May 22 to Mr. John D. Rockefeller, jr., is received. The telegram received at this office from you on May 21 was directed to Mr. Rockefeller, sr., and answered by his secretary. Mr. John D. Rockefeller, jr., has received no telegram from you.

Mr. Rockefeller, jr., desires me to say that your letter of May 22 is of such a character as to make any conference with you impossible.

Very truly,

CHARLES O. HEYDT.

I immediately wrote Mr. Rockefeller a letter, in which I told him that I was astounded to have him say that my telegram had been addressed to his father and that the refusal had come from his father; but I denied that in view of some of the things that I had expressed in my letter that it made an interview impossible.

I knew that according to what the newspapers told me—the newspapers said Mr. Rockefeller had not been in his office at all Saturday morning. I knew I mailed my letter from Washington City at 15 minutes of 4 o'clock. The Congressional Limited left at 4. I put it in the mail box, and it could not have arrived in Mr. Rockefeller's office before Saturday morning; and I want to say here and now I do not believe Mr. Rockefeller ever saw that letter. I believe it was a trick of 26 Broadway, for the following reason: I showed it to one or two of the newspaper men and they laughed, and they said, "We have been down there at 26 Broadway to-day and in and out, and Heydt told us that Rockefeller was not in town, and he was not." Of course I don't know whether he was or not. They said, "We have been pounding the young man pretty hard and have created a lot of public sentiment here and he ought to know of it, and he is using this as a dodge for not seeing you."

I don't profess to the commission that I know that was the fact, but I wrote him another letter dated May 23, 1914, in which I called his attention to the fact that the telegram had been sent to John D. Rockefeller, jr., and not "sr.," as it was well known he was attending to this matter and not his father, and that if he wanted to see anyone who had any information about this, why, he could send for us or could see the women, at least, and that there was nothing in my letter, under the circumstances, that would deter him from seeing us, if he intended to see us. And I went on to say that unless he was willing to see us, I would take his letter as a subterfuge.

After being told that was probably what happened, I thought I would find out. So I called up the Western Union, at Washington, and told them what the difficulty was, and I said, I want to know just exactly to whom telegram of Friday—or Thursday night—was addressed and whom it was received by. They said they would look it up. They called me up and told me that it was sent to John D. Rockefeller, jr.; that it was repeated to John D. Rockefeller, jr., to

avoid any mistake. I said, "Will you confirm that by wire?" and they did confirm it by wire, the original of which I will file, or a copy [reading]:

"Your night letter 20th addressed John D. Rockefeller, Jr.; repeated junior. Mailing copy.

"WESTERN UNION TELEGRAPH CO.,  
"Washington City."

I sent this report with a copy of the telegram to Mr. Rockefeller. I said:

"I wish you or your secretary in writing would state to me that you failed to receive the inclosed message sent from Washington here, that it was addressed to and received by John D. Rockefeller, sr., so that whatever grievance I might have, I can take it up with the Western Union office."

I did this because it was suggested by the Western Union people. They said, "You just call him up and ask him to show you that telegram"; and they said, "You directed it junior and we sent it junior, and we repeated it junior and he got it junior, and if there is any question about it, just let him show you the answer that he received."

Mr. Rockefeller and his secretary absolutely refused to even show me the telegram, and I concluded that he never intended to show it. The newspapers were filled with comments regarding his refusal to see either myself or the women.

Then an interesting thing happened. I think it happened on the morning of the 25th of May, or the 26th of May, perhaps. I think it was the 26th. I mailed the letter and the Western Union telegram some time on the 25th, and I received a telephone call from a gentleman whom I know well. He said he wished to have a conference with me over the Colorado strike situation at the Imperial Hotel as soon as I was able to see him—right away, if possible. I told him I could not see him right away, but could see him between that and noon. So we fixed the time for noon, but he was delayed.

Now, what I am going to say I shall have to say in part in a roundabout way, because I do not care to disclose who that man was. He came directly, in my judgment, from Mr. Rockefeller; but I should like to state what he said. I am not sure that he would object, but I have not had an opportunity to get hold of him to find out if he would object. I will try to get his consent, and if I do I will file it with the commission, for I think it is very important.

He told me that Mr. Rockefeller—of course, I won't be sure of all the details, but this is the substance of it. He said, "You know," calling me, I think, by my first name, for we were very intimate friends, "that I am a good friend of John's"—John, he called him—"and a good friend of yours." I said, "Yes; I know that." I had once met Mr. Rockefeller's sister at a dinner with this gentleman; and he said, "I have been over talking with John. He is very much stirred up about this thing. People have been threatening his life, and sentiment is being stirred up because he would not see you folks. And I think," he said, "that if he had his way about it, that he would consent to arbitrate. But," he said, "you know how things are up there. He is surrounded by a lot of people of the old reactionary type, who do not understand these questions at all, and have some of these notions that we do not believe in; and I do not believe they will let him do it. But," he said, "I believe that he personally would be willing to consent to some kind of arbitration, especially if he could have seen you."

I told him about this incident of the correspondence. He said, "Judge, I don't blame you a bit, and I put it up to him, and I know well enough that he can't blame you about that; that it was not your fault, and if he wanted to see you he could see you all right. But," he said, "they won't let him see you, in my judgment. But," he said, "I think a little later on when this excitement blows over, that it can be arranged for you to have a good talk with him, and I think he would appreciate it, and like to do it. I am not sure," he said, "but when you get back to Denver I want you to write me and present in writing what you have been telling me about—what you think ought to be done in this situation, and I will take it up with him again, and I will see if something can not be done." He said, "You know what the difficulty is, that the crowd up there are very bitter against Mr. Wilson. Why," he said, "why, you know the Rockefellers are sore on the President, and I don't know that you can get this thing through—if the arbitration committee is to be appointed by the President." He said, "I don't know—they are pretty sore; but they may come around all right." He said, "You know how people's passions are aroused, and their feelings, and how they get this feeling of bitterness."

I won't be certain when this was done, but another gentleman was with him, and then two others came to see me that day, and I believe one, and possibly three of them had come from Mr. Rockefeller. Something was said by one of these men, and I am making room for confusion as to which one it was—in fact, several things were said—that if it could be arranged, or if we could get a suggestion that the Chief Justice of the United States would appoint a commission or board of arbitration, that Mr. Rockefeller might be induced to consent. I said that I thought the President should appoint the board, and I urged and argued with at least two of these gentlemen, and I think three, that Mr. Rockefeller should give me permission, confidentially, if necessary, to go back to President Wilson and say that if he would appoint this committee as we had asked him to do, that he, Rockefeller, would consent to let the public know that he personally had given his consent; but at the same time—not pretending—as these gentlemen told me he did not—to control these other people, but, as I understood, they rather controlled him. I said to this gentleman, I think if you will tell Mr. Rockefeller that, that it will be to his interests, and will help to allay the feeling against him that I find is pretty bitter throughout the country and tend to avoid anything happening through this physical violence threatened that I heartily deplore and would do nothing to advance but everything that I could to prevent—it will add to his safety and to a better understanding, to recognize the rights of the parties and certain principles of justice that I think can be recognized only by him—by his consenting to let the President appoint this board of arbitration. I wished to do that because I believed it at the time, and I had told the President that I did not think it would ever be necessary for him to try to take possession of the mines if he would only let them know or have them believe that he had the power to do it, and if necessary, would do it; that that was all that was necessary, because I believed the force of public sentiment would be back of the President and would force these men into line. I was told that they had begun to pay a good deal of attention to public sentiment.

Well, that in brief was the hour's talk back and forth that we had, not with Mr. Rockefeller, but through people that I can not say positively came directly from him, but who I believe in one or two instances did come from him, and I believe, further, that they went back to him with these conferences. Well, I learned afterwards that Mr. Rockefeller on the same day or the next day sent a letter or telegram to Mr. Welborn, which, in my judgment, showed that he felt the effect of these conferences. Well, in that telegram or letter I understand, though I have not seen it, that he did state that he was willing or might be willing to have the Chief Justice of the United States appoint a board of arbitration. I felt, therefore, that our mission had accomplished a great deal of good; that it was in part largely responsible for arousing public sentiment and getting the help of the newspapers, through these conferences, in compelling, I might say, Mr. Rockefeller to take the question up with them, as he never had done from any other influence, namely, to consent to any kind of arbitration, but, on the contrary, had held out vigorously against it, as I understood.

That, in a general way, was the substance of the visit to Washington and New York.

Chairman WALSH. You had no further communication with Mr. Rockefeller then—

Judge LINDSEY. Except indirectly. When I got home I wrote a letter to a friend in New York, who, I believe, presented it to Mr. Rockefeller, for I was requested to write it for that purpose. And in that letter I stated substantially what I am stating here.

Chairman WALSH. Have you a copy of the letter?

Judge LINDSEY. I have a copy of the letter and can file it.

Chairman WALSH. Just submit it, then.

Judge LINDSEY. I wish to say that the gentleman to whom I wrote this letter is only one of the gentlemen with whom I conferred, and I want this record to show that I am not saying that he is the man of the two or three I conferred with who made the statements as to the attitude of the Rockefellers toward President Wilson.

(See Lindsey Exhibit No. 3.)

I then went before this commission and I stated some things then that are in the record, but I do not care to repeat them at this time; but I wish to refer—

Chairman WALSH (interrupting). Yes; we have that abstracted.

Judge LINDSEY. I wish to reaffirm my testimony before the commission—that is, in the abstract which I hold in my hand, which says, date May 27 and May 28, 1914. Whatever I have said there I wish to repeat, and if possible I would like to emphasize it.

(The witness here referred to the transcript of the proceedings of this commission held in the city of New York on the 27th and 28th days of May, 1914, on the subject of "The Colorado coal miners' strike," and containing, among others, the testimony of the witness given on May 28, 1914.)

I found afterwards that certain people in Denver, and certain people in New York around Mr. Rockefeller, resented bitterly what I considered the success of this mission, namely, in getting out of Mr. Rockefeller the first consent to arbitration whatever through these conferences; and, second, arousing the public sentiment that we seemed to have aroused all through the country, for, we were met everywhere at the stations by the newspaper people; and in New York I was told that for the first time they really began to get any sort of publicity. The fury of the people connected with Mr. Rockefeller, both in Denver and in New York, knew simply no bounds. I never in my 15 years' experience in public affairs in Colorado felt the hatred and bitterness that I did during this time. Just as a sample of it, one thing. I began to receive anonymous letters, some of which I sent to Mr. Harry Kelly, United States district attorney, and asked him to look into it, but I never heard anything from him.

One letter was signed by a prominent doctor here. I am told he is. He says that at a meeting here in a sanitarium in Denver, of prominent doctors and conservative ones, which sanitarium I understand is maintained by one of our very wealthy men; and this letter says the matter was discussed and decided that five men in Colorado ought to be killed, and that my name was at the head of the list. The most amazing thing is that this man should sign the letter. I have the letter here. I had read in the Pueblo Chieftain—

Chairman WALSH. Just offer the letter in evidence.

Judge LINDSEY. I will offer in evidence the original letter. Most of them were anonymous, but this man was bold enough to sign it himself, which surprised me. I have it here in these papers, and will offer it before I go.

Chairman WALSH. Proceed.

Judge LINDSEY. The chamber of commerce met in Denver and proceeded to impugn my motive. They said I did this for political purposes, and many other things. According to the eastern papers an organization here that pretended to be a women's organization and the chamber of commerce together and the real estate exchange sent what purported to be—at least the newspapers reported it to us through the Associated Press and the United Press—a resolution that I was to be recalled from office; that I was notoriously unreliable and untruthful; that I did not represent anybody but myself; that I was doing this for political effect, and I was judged right and left and condemned.

But when I came home I came in on the same train as Mrs. Grenfell, who had been on the same mission, but represented, as it turned out to be, the coal miners. I was met at the depot by several thousand people who seemed to approve of this mission. I was not prepared at that time to tell them all that had been done, for I did not know until afterwards, its success, as I regarded it, in bringing about a reluctant consent from Mr. Rockefeller, jr., to consent at least to some sort of arbitration. Mrs. Grenfell was not met by anyone.

Chairman WALSH. Well, did you afterwards have a public meeting, or something at which you made a report?

Judge LINDSEY. Yes; we had a public meeting, at least down in the street there were several thousand people, to whom I spoke from an automobile and told in a general way about the mission. I told them that the thing that impressed me most about the industrial situation from my trip east was this: That there were two governments in this country; that there was an industrial government at New York City and what was called the Rockefeller interests were the head of the industrial government. I speak of Rockefeller as a generic term only. And that there was a political Government at Washington city. And that until there were changes in our laws, in the laws of property, as I regarded it, there could not be much hope for permanent peace in these struggles; and that political independence in this country was not going to amount to very much as long as there was economic dependence, and that had been demonstrated by the series of troubles and difficulties we had in this State, and if this mission that we had been on down there accomplished nothing else it would have tended or helped to show this big truth, that underlying these occasional and spasmodic eruptions between labor and capital were great economic



problems and questions that had to be fought out in the industrial world, but could not be fought out and decided rightly until, through agitation and education, the people came to understand what they meant. That was, in substance, the report.

Now, one other thing—two other things, Mr. Chairman, bearing on this industrial problem and its relation to industrial unrest and the difficulty of people taking part in it that I would just like to comment on briefly as coming from my experience in this struggle that I think would be worth consideration by your board. One is violence—violence—violence of what I call capital on the one hand and the noisy violence of ignorance, generally the violence of labor, on the other hand; and then the misunderstanding that leads to the class feeling and threatens the annihilation of people on both sides; and that those who sympathize with what we regard as the “under dog” more or less, when they attempt to take any part in these struggles in order to get the truth out of sincere effort, and to settle these questions rightly, become the victims of the violence of capital. I constantly experience that on my own part in endeavoring to cooperate with others in a small way to help bring about a solution of these difficulties. And in order to get in the record something on that out of my experience I would like to read the letter I wrote to Miss Jane Addams, after we had been at Hull House with these—

Chairman WALSH (interrupting). Just as briefly as you can, Judge. Just simply sketch it. We have certain witnesses yet to hear, and we must get away—

Judge LINDSEY. Then I will not read it at all—

Chairman WALSH. You may read extracts from it, if it is not too long—

Judge LINDSEY (interrupting). I would prefer to state it, for I can state it more quickly.

Chairman WALSH. I would prefer that you state it.

Judge LINDSEY. Yes; I can state it more quickly.

I think one great trouble is that the public only see the violence of what is generally regarded as labor. My own feeling is, after years of experience in this matter, that that violence is only the violence set off by the injustice of what I regard as capital against labor. I am not against capital. I believe in the protection of property rights. But the use of government, the control of courts, the interference with the passage of laws, and, when those laws are passed, the dodging of those laws through the control of the public agents and public officers who are called upon to enforce those laws, the favoritism shown those who, generically speaking, are supposed to represent capital; I have seen it not only in my own experience but in the testimony here, of which I made some notes as you went along.

For instance, I understand that Maj. Boughton, who testified in New York that he was an employee of the mine owners' association and receives his fees from the mine owners, that in these investigations an automobile of the C. F. & I. Co. was used to bring in the witnesses. Now, I have been in among these men, both in the southern fields and the northern fields, but not in recent years in the southern fields, though in recent years in the northern field. I know how they think and how they feel. I know the fury that is engendered and touched off much as a match would touch off powder, among them when these men see what they regard as partiality and identification of government with one of the parties, when they see an automobile belonging to the C. F. & I. Co. being used by the men of the militia to gather in strikers and then see what is said about the knocking down of this man Tikas and the report that while he had practically been knocked down and murdered, as I understood the report, that, in substance, as the report read, there was no criminality attached thereto.

Now, come down more concretely in my own case. A mother of children coming before me to defend against an effort to take her children away from her, whose husband was blown up in the smelter amidst the fumes of the slag piles by an explosion, where he had been working 16 years in the smelter 10 and 12 hours a day, and where she got \$500 on account of his death—and it incidentally came out that she got it from the railroad company. I couldn't understand why until one of the men in the smelter mills in a most indifferent sort of way said, “Judge, you know that the eight-hour amendment went into effect some time along there, but these men working on the slag piles work more than eight hours. So we simply transferred the men from the pay roll of the smelter company to the railroad company, where they may work legally for 12 hours or any number of hours they wanted to. I suppose you know

there is no law against working more than eight hours for the railroad company." Now, I know how that rankled in that man's heart, and I know how for 20 years these men had fought to get an eight-hour law against corrupt and criminal aggregations of capital working through the control of the courts. For I know that personally to be true. And knowing those things, as they know them and have a right to know them, for there is no question about it, that is a sample of the things that touch off all the passions in these men and result in violence.

In my letter to Miss Addams I had her confirm the speech of Mr. W. C. Calhoun, a noted corporation lawyer of Chicago, in defending Rudowitz, a Russian nihilist, whose extradition was being opposed; but Mr. Calhoun got up before a great company of all sorts of people, which included, I am told, two Federal judges and district judges, and stated to them that Rudowitz was justified in bomb throwing in tyrannical Russia. Why? "Because," he said, "the Government had broken down and they hadn't any rights in the courts," and that sort of thing simply exploded that kind of violence among the weak and ignorant, and that Russia itself was responsible for these crimes. And that was applauded by those judges on the bench, and prominent people, as Miss Addams confirmed the report to me personally of that meeting.

But if someone in this country should get up and say because of the lawlessness in southern Colorado, because of the fact that the coal companies down there for years had controlled the district attorneys, the judges, and members of the legislature so that no man had any rights in the courts, and there was violence and would point to the laboring man as responsible for that violence, it would be accepted, while they forget that the workers were in the same position as the Russian nihilist was according to Mr. Calhoun's statement. It was interesting to me to note that that sort of sentiment would be expressed about the conditions in Russia, but not about the conditions in Colorado; yet down in southern Colorado it was just as bad when it came to getting justice down there. That is a fact I would like to have clear in this record, for I think it is high time that this commission, if they can do anything to educate the people on that subject, should understand the meaning of the violence that forces—that produces violence, just as hate produces hate. I have seen that throughout all this struggle in southern Colorado; and while I deplore violence and I am against it on both sides, I know from my experience that the violence of these men in the laboring class is simply the pent up feeling that comes from oppression and tyranny and lawlessness and the attitude of men like Mr. Osgood, who, if he is right, stands for masters in this country on the one hand and slaves on the other; and it is that sort of thing that does more to produce violence than all the anarchists and socialists that I know anything about. At least that is my experience with these people.

I am not going to take up any more of your time, but I have one or two things that I would like to file.

I would like to file a statement from the New York World of date of May 27, 1914, with an extract from Col. Roosevelt's testimony as to what he did, or was going to do in the coal strike of Pennsylvania. I want to say that, although the New York World intimates that I put Col. Roosevelt up to say that at that particular time as bearing on our trouble out here, I did nothing of the kind; but I heartily agree with what the colonel says as to the right of a President in a case of this kind, and I did urge President Wilson, for the reason I have stated, that if it came to the worst, I thought, in the interest of all the people of Colorado, that he should go and do likewise. I hope that will never be necessary. Here is the article.

(An article entitled "Roosevelt was ready to seize mines to end strike," from the New York World, Wednesday, May 27, 1914, was submitted in printed form.)

Then here is another thing I would like to file—this pamphlet issued by the State Bureau of Child and Animal Protection. The statement was sent out by this organization, of which E. A. Colburn, of the mine owners' association, was vice president. He said the statement I made before you at New York, to the effect that that bureau had endeavored to defeat a child-labor law, was not true. That statement was sent all over the country and it was published.

I am experienced in Colorado, and my experience is that the mine owners in Colorado have never been earnest in their efforts to prevent child labor, and I want to file this pamphlet or magazine, in which they say they don't want any child-labor laws in Colorado. These statements are absolutely inconsistent with their action as shown by the decision in forty-fourth Colorado, at page 445,

as to how a legal child-labor bill should be drawn. They attempted to legalize the employment of children over the age of 13 years.

In opposition to this Colburn Society we succeeded in defeating that law and in putting on the books a statute forbidding the employment of any child under the age of 16 years in a mine.

(A pamphlet entitled "Child and Animal Protection," published by the Colorado Humane Society, dated Denver, Colo., January, 1911, was submitted in printed form.)

I also want to file this statement of children made dependents because of parents killed in coal-mine accidents. This was taken from the official reports of the State board of charities and correction. It shows that in five years in these coal mines in Colorado 730 children have been made fatherless and dependents.

(See Lindsey Exhibit No. 5.)

I would like also to file a copy of the report of Mr. Eli M. Gross, of the State factory inspection department, with copy from their official records, showing statistics as to child labor in southern Colorado, showing that there were children as young as 10 years of age working in the coke ovens of the Colorado Fuel & Iron Co., and the excuse given by the company was that their parents employed them.

(See Lindsey Exhibit No. 6.)

I want also to file the testimony of the police department of Denver in regard to child labor in Colorado.

(See Lindsey Exhibit No. 7.)

I want to offer in evidence this copy of the child-labor law put through in this State in spite of opposition by this Colburn Society.

Chairman WALSH. That is the present law?

Judge LINDSEY. Yes. It is more stringent than the one they passed and forbids any child under 16 working in the mines in Colorado, and his society tried to defeat it.

(A pamphlet entitled "Child Labor Law of the State of Colorado, 1911," issued by Edwin V. Brake, chief factory inspector, Denver, Colo., was submitted in printed form.)

One final thing, and it will take only a few minutes, and it will show you the truth of these things.

Last spring a committee of business men, among others Mr. Osgood, Mr. Welborn, the president of the Denver City Tramway Co., and some other stockholders of that company, Mr. Phipps, and others, paid several thousand dollars to a committee in New York City, representing the Rockefeller Bureau of Municipal Research, to come out here to Colorado to investigate me. Curiously enough, at the time they were getting these people here, Mr. H. W. Allen, of that bureau, resigned, because, as he said, of the improper influence of the Mr. Rockefeller interests. Whether one of the things he had in mind was because it tried to get the committee to come out here to try to ruin me, I don't know—but that is what these business men of Denver tried to do, as I have the evidence here to show.

This committee from the Rockefeller bureau came out to Denver, and they did examine some of the departments. They told me they were ordered to pay no attention to the other courts, but they were told to get something on my court if they could. I don't think these gentlemen would object to testifying to that. I will furnish the commission with their names later on. I would like you to question them in New York.

One of them said, in a conference with these men—he asked them what they had against me, and they said, "Well, Lindsey tells things about us." He said, "Aren't they true?" And they said in reply, to use his own language, "Good God, yes; but we don't want him to be telling about it." He said, "Why not?" and they replied, "Because it hurts business out here." He said, "It is true, isn't it?" These things happen everywhere, and he is only talking about a condition. Of course, the old gag here is that to tell the truth about the exploiting of the city is to knock the town; but that old gag, of course, is being gradually understood. They said that they were not to make a report on my court unless they got something against me; that they did not want a favorable report of my court.

There was a business men's and chamber of commerce committee appointed, among whom was a nephew of Mr. Cheeseman, one of the promoters of a public-utility company, to investigate the courts, and I wrote them a cordial letter inviting them to my court. I have a copy of that letter. But they never came

near me. I then wrote them a separate and individual cordial letter, saying that I would be delighted to have them come and learn the facts from the records of my court. They then appointed a subcommittee, that did not come near us, and then finally made a report that three-fourths of my court be abolished, and I take it they would have included me if it could be done.

I want to file these papers in that connection.

(See Lindsey Exhibit No. 8.)

Now, Mr. Chairman, I know the time you can give me is limited, and I do not care to go into any other matters unless you wish to ask me specific questions, which I will answer briefly, if you care to go into anything further.

Chairman WALSH. Commissioner O'Connell requested me to ask you if you found that letter signed by some doctor containing a threat?

Judge LINDSEY. Yes, sir.

Chairman WALSH. Please submit all the matters you have in evidence. Now, was there anything else, any general topic, that you wish to mention? I know I have hurried you through, and I will have to do so on account of other witnesses, as much as I regret it; but is there any general topic you have been kept from stating on account of this hurry?

Judge LINDSEY. Why, Mr. Chairman, I notice that you have been in the habit of asking questions as you did in New York, and you asked some questions as to how we were going to solve this problem concerning industrial unrest. I know well enough there is always a temptation for anyone who has opinions to state those opinions. I am one of those who do not pretend to know how these things are going to be solved, but I have for 15 years been active in the public life of Colorado and I positively know that the general contentions and general claims of lawlessness against public-utility corporations are true, and they are responsible for most of the violence.

I have some conclusions, and I can briefly state them. I think there are some palliative things that the commission might do well to consider which would bring about more justice and equality in this country, and one of those things is a Federal board of arbitration, that has been presented to you in a better way, perhaps, than I can present it; it is along the line of the Newlands Act with reference to the railroad controversy. The suggestion, I believe, came from Mrs. Harriman, of your board. I believe that some such work can be done and ought to be done to bring about a settlement of such controversies as we have in Colorado, and not alone Colorado. I want this to go into the record: That Colorado is not worse than any other State, but is better than most of them, and that Denver is not worse than any other city, but is better than many cities in America. Our people are brave enough and willing enough to fight these things, and we are getting somewhere in Colorado, and the time is coming when we will be a free city and a free State; but I do say there can be no permanent peace unless fundamental changes are made in our laws. We have got to take over the natural resources of this country, and especially where they are exploited in the interest of a few men as against the welfare of the many. I want to say that I have come to this conclusion after much thought and a knowledge of the facts. I do not believe much in good people or bad people. I am almost convinced at times that there are no good people or bad people, but just people, and the conditions that make for good things and bad things are the things we must understand. We must do away with injustice and inequality.

I would like to relate a little experience I had in New York, which shows the attitude of some people on this subject. I was at a meeting in the house on Fifth Avenue in New York, where I do have some friends—I don't know how it would be in Denver. I was talking to some young boys and telling them of the conditions of these poor people, and I noticed one little fellow took a good deal of interest; I had been telling about the children, and he was very much interested and paid close attention. This young fellow's name was Arthur, and the vestryman of the church told me—he said, "Arthur is worth \$25,000,000 in real estate, stocks, and bonds, and, at the usual rate of increase, by the time he is 35 years of age he will be worth \$250,000,000. Can't he do a lot for charity?" This man could not see the injustice of the conditions that would make a little boy that never did anything worth \$250,000,000. That is not true of all preachers, however.

Chairman WALSH. Can the commission call on you to just submit your constructive recommendations to our secretary?

Judge LINDSEY. I would be glad to.

## 7114 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

Chairman WALSH. Growing out of your experience. I wish you would submit your constructive suggestions as to any changes in laws and what the Government should be.

Judge LINDSEY. Yes, sir; I will do so.

Chairman WALSH. That is all. Thank you, Judge.

Judge LINDSEY. One moment, if I may have it, Mr. Chairman, please, to find a letter which you asked me to submit. I thought I had it right here. I would like also to submit the correspondence concerning the editorial writer of a Boulder paper to the effect that Lindsey ought to be killed, and that a man like Prof. Marks had no right in the State university.

Chairman WALSH. If you can find that letter referred to, I wish you would present it. Mr. Dower will call on you for it.

Judge LINDSEY. I will give him the original letter, in which he said that there were five men in Denver that ought to be killed, and I was complimented by being put at the head of the list.

(See Lindsey Exhibits Nos. 9 and 10.)

Chairman WALSH. That is all; thank you.

### TESTIMONY OF MR. NIELS JORGENSEN.

Chairman WALSH. What is your name?

Mr. JORGENSEN. Niels Jorgensen.

Chairman WALSH. Where do you live?

Mr. JORGENSEN. Delagua, Colo.

Chairman WALSH. How long have you lived in the State of Colorado?

Mr. JORGENSEN. Four years the 17th of June.

Chairman WALSH. You are a native of what country?

Mr. JORGENSEN. Denmark.

Chairman WALSH. Have you worked in any other coal mines in any other State than Colorado?

Mr. JORGENSEN. Yes, sir.

Chairman WALSH. Where?

Mr. JORGENSEN. The State of Kansas.

Chairman WALSH. Any place else?

Mr. JORGENSEN. No, sir.

Chairman WALSH. What place in Kansas?

Mr. JORGENSEN. Mineral, Kans.

Chairman WALSH. Have you ever been a member of the United Mine Workers of America?

Mr. JORGENSEN. Yes, sir.

Chairman WALSH. When?

Mr. JORGENSEN. From about 1905, I think, to about 1909.

Chairman WALSH. What is your age?

Mr. JORGENSEN. Thirty-seven.

Chairman WALSH. Were you a member of the United Mine Workers of America while you were in Kansas?

Mr. JORGENSEN. Yes, sir.

Chairman WALSH. Did you go out on strike when the strike was called September 23, 1913?

Mr. JORGENSEN. No.

Chairman WALSH. Why did you not go on strike?

Mr. JORGENSEN. I was satisfied and was better pleased than I was when the union came.

Chairman WALSH. What difference was there? What made you better satisfied than you were in a union camp?

Mr. JORGENSEN. I got the same treatment and made more money.

Chairman WALSH. Were you threatened or intimidated in any way by any persons in an effort to get you to go on a strike on September 23, 1913?

Mr. JORGENSEN. No.

Chairman WALSH. Did anyone ask you to go on a strike?

Mr. JORGENSEN. No.

Chairman WALSH. How do the coal miners' wages in Colorado compare with those in Kansas?

Mr. JORGENSEN. They are better.

Chairman WALSH. About how much more do you make here than you did in Kansas?

Mr. JORGENSEN. Well, in company work a man will make about 28 or 30 cents more a day, but by digging coal a man makes a whole lot more; lots of them will make from one to three dollars a day more.

Chairman WALSH. Is that your experience, Mr. Jorgensen?

Mr. JORGENSEN. Yes, sir.

Chairman WALSH. Are you in favor of checkweighmen at the mines?

Mr. JORGENSEN. No.

Chairman WALSH. Why not?

Mr. JORGENSEN. I get the same weight as I did before.

Chairman WALSH. Have you ever had any experience with checkweighmen?

Mr. JORGENSEN. No.

Chairman WALSH. Was there any effort to get checkweighmen in the mine where you worked, in the Delagua mine?

Mr. JORGENSEN. Yes.

Chairman WALSH. Did you sign the petition which was circulated a short time ago to establish checkweighmen in the Delagua mine?

Mr. JORGENSEN. No.

Chairman WALSH. You did not want any checkweighmen?

Mr. JORGENSEN. No.

Chairman WALSH. And you have not noticed any difference in the earnings you have made with checkweighmen and without checkweighmen?

Mr. JORGENSEN. No.

Chairman WALSH. Do you think that the existence of the union had anything, or has anything to do with keeping wages up in the State of Colorado?

Mr. JORGENSEN. No.

Chairman WALSH. Are you a voter in this country?

Mr. JORGENSEN. No.

Chairman WALSH. You have never become naturalized?

Mr. JORGENSEN. No.

Chairman WALSH. You came here when; what year was it?

Mr. JORGENSEN. In 1903.

Chairman WALSH. What is the reason that you have not become a citizen of the United States?

Mr. JORGENSEN. I have not called for the papers.

Chairman WALSH. Are you a married man?

Mr. JORGENSEN. Yes, sir.

Chairman WALSH. Do you feel that you would have any benefit from citizenship in the United States?

Mr. JORGENSEN. Well, I don't know about that.

Chairman WALSH. Is it your intention to go back to Denmark at any time?

Mr. JORGENSEN. No.

Chairman WALSH. Is it your intention to maintain your residence in this country?

Mr. JORGENSEN. Yes, sir.

Chairman WALSH. That is all. Thank you.

We will now stand adjourned until 2 o'clock this afternoon, and I wish to announce that the next three witnesses will be the three young nonunion miners, and then Mr. Northcutt. Please be here on time.

(At this point, 12.30 o'clock p. m., of this, Tuesday, December 15, 1914, an adjournment was taken until 2 o'clock p. m.)

AFTER RECESS—2 P. M.

#### TESTIMONY OF MR. J. F. WELBORN—Recalled.

Chairman WALSH. Mr. Welborn, I just want to supplement your testimony given the other day. Now, since you left the stand you sent me some suggestions made by Mr. W. Mackenzie King to Mr. Rockefeller and submitted to you, about which you testified in your direct testimony.

Mr. WELBORN. Yes.

Chairman WALSH. Now, the correspondence between you and Mr. McClement was not, I think, copied into the record?

Mr. WELBORN. I do not remember as to that. You have had it.

Chairman WALSH. It was not. We had copies of it. Have you the originals here?

Mr. WELBORN. Yes; I brought the originals.

Chairman WALSH. I wish you would submit into the record the correspondence with Mr. McClement.

Mr. WELBORN. It seems not to be in chronological order.

Chairman WALSH. I was going to ask you to just read them in as you did before.

Mr. WELBORN. This file starts with a letter from J. F. Welborn to J. H. McClement, dated September 6, 1913.

(Said letter so offered in evidence is in words and figures as follows:)

DENVER, COLO., September 6, 1913.

MY DEAR MR. McCLEMENT: For 30 days or more officers and organizers of the United Mine Workers of America have been in Colorado attempting to induce the men to join their union, and threatening a strike of the coal operators will not make a contract with the organization recognizing it as the representative of the coal-mine workers employed here.

Our company and all other operators in southern Colorado have always been opposed to recognizing that organization. Wherever it has contracts with operators it has dominated the business to such an extent as to reduce the output, reduce the earnings of the men, and practically to dictate the general policy of operation of coal mines.

We know that only a small percentage of our men belong to the union, and that the southern Colorado miners earn more money per month and per annum than is earned in any important district elsewhere in the United States, whether dominated by the United Mine Workers or not. In spite of this, however, it is probable that in the event of a strike call most of the men would respond, although we believe a great many would later return to work when they found that we were determined in our opposition to the organization and were successfully operating our mines. We are very much concerned and on the anxious seat, yet there is nothing to do but wait.

Public sentiment and the attitude of the newspapers generally are favorable to us.

Yours, very truly,

Mr. J. H. McCLEMENT,

135 Broadway, New York.

The next is a letter from J. F. Welborn to J. H. McClement, dated November 11, 1913.

(Said letter so identified and offered in evidence is in words and figures as follows:)

DENVER, COLO., November 11, 1913.

MY DEAR MR. McCLEMENT: Messrs. Writer and Rogers are assisting me tonight in cleaning up my desk, which has accumulated practically everything that has come to me in the last two months, for the reason that I have not had 30 consecutive minutes during that time without interruption on account of strike matters. Every time I have thought of you I have hoped that the next day I could write you at some length on this situation, but almost without exception the following morning would bring trouble that required practically all my attention for the day, or if not that, put me in a frame of mind where I could not take hold of anything else.

A trumped-up convention was held at Trinidad September 15. Its delegates were composed of striking miners from northern Colorado, who had been idle for three and a half years, and others appointed from among the employees of the United Mine Workers' organization. No men whatever had been chosen by the miners whom the organization proposed to call out on strike. The natural result was a unanimous vote for a strike, which was set for September 23.

The demands were semimonthly pay, an eight-hour workday, checkweighmen, the right of the men to trade where they pleased, contract with the United Mine Workers of America, and an afterthought demand for an increase of 10 per cent in wages. The latter had never been suggested until during this convention, although the strike agitators, most of whom came from the East, had held a number of conferences with the governor and freely stated their position. They admitted to the governor, however, that all of the conditions, except recognition of the union and the afterthought referred to, were enjoyed by the men. Their sole purpose was recognition of their union and a contract with it under the terms of which every man working for us would be compelled to join the union and pay into its treasury such dues, fines, and assessments as the officers saw fit to levy against its members.

At no time since they first came to Colorado on August 1, up to this day, would they have been unwilling to declare the strike off if they could have but secured this recognition of the union. This, as you, of course, know, would mean placing our business absolutely in their hands.

There was every evidence that not over 10 per cent of our men belonged to the union, yet we knew that a far larger percentage would respond to a strike call. Some of these would go out because of their natural sympathy with unionism, others because they did not want to be called scabs, another class, representing a large percentage of the best workmen, left the State before the date the strike took effect in order to have no connection whatever with it, and still another percentage, by no means small, left work because of the fear of violence that had been threatened and which they knew would be put into effect.

The result of the call with us was that practically 70 per cent of the miners and very few of the day and company men responded to the strike call. This meant about 50 per cent of the total mine employees, and has left us in a position where we could and have produced about 30 to 35 per cent of our normal output. The largest among the other operators suffered in a similar way, while most of the smaller operators having but one or two mines lost practically all of their men.

The strike has been one of the most vicious ever conducted by the United Mine Workers of America, whose record is one of extreme violence, with murder as the result of almost every attack. Up to date 10 employees have been killed, practically all of them in cold blood without any provocation whatever, except that they were willing to work, while those who attacked them were not. No attack has been made by mine employees or sheriff's officers on the strikers, except to repulse attacks that the latter made, usually with overwhelming numbers.

We now have the State militia in the field and are hopeful of improvement in the conditions, though they have not accomplished as much during the two weeks they have been in the mining district as we had hoped they would. At the best, however, we are not justified in anticipating normal conditions until well into next summer.

I am inclosing July, August, and September earnings sheets. The figures for the fiscal year you have already had in the preliminary report sent out with a notice of the annual meeting. The strike has prevented my getting out the annual report, although I hope to have it ready within the next few days.

Yours, very truly,

J. F. W.

Dictated but not read.

Letter from J. H. McClement to J. F. Welborn, dated November 20, 1913:

NEW YORK, November 20, 1913.

MR. J. F. WELBORN,  
President Colorado Fuel & Iron Co.,  
Denver, Colo.

DEAR MR. WELBORN: I thank you very much for your full account of labor conditions, contained in your letter of the 11th instant. I appreciate that you are very busy and do not wish to add to your burdens, but as we get no newspaper reports on conditions in Colorado, if you will depute some one to drop me an occasional memorandum as to how the strike is progressing, I will esteem it a favor. With kind regards, believe me,

Yours, very truly,

J. H. McCLEMENT.

Letter of J. F. Welborn to J. H. McClement, dated December 4, 1913.

(Said letter so identified and offered in evidence is in the words and figures following, to wit:)

[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

DECEMBER 4, 1913.

MY DEAR MR. McCLEMENT: We feel that we have made substantial progress in the conduct of the strike since I last wrote you, although the increase in output during the three weeks has not been large.

At the urgent request of the governor and under some newspaper pressure, we met three of our striking miners in conference with the governor November



23. There has never been any substantial objection to meeting our own employees or our former employees for the purpose of discussing proper matters, yet we have felt that such a meeting might be construed as an indirect recognition of the officers of the union.

We succeeded, however, in yielding to the requested meeting in such manner as to have the selection of the men, nominally at least, in the hands of the governor, and when the meeting was called to order by the governor, who acted as chairman, the miners, in answer to questions, stated that they represented only themselves directly and would be obliged to take back to the miners for their approval or disapproval whatever understandings, if any, might be reached. We reached no direct understanding; in fact, we wanted none, as we were almost sure that had an understanding between the miners and ourselves been reached it would have received the stamp of approval of the officers of the organization and in that way been twisted into an arrangement between us and the organization.

Nevertheless, the conference accomplished a great deal of good, as it convinced the governor that the grievances of the men were of a trivial character and that we had already granted, even before demanded and before the strike was called, everything that the men had a right to ask or strike for, and as a result the governor issued a statement, addressed jointly to the miners and ourselves, recommending termination of the strike. I am inclosing a copy of this for your information.

I am also inclosing copy of a request made by Secretary of Labor Wilson, and which was under pressure from him signed also by the governor, asking for arbitration. We would not under any circumstances have arbitrated the questions proposed, but we were able to answer the Secretary's communication (in a more effective way than by absolutely declining to consider arbitration) by referring to his own statement in the conference, the latter part of which he attended. A copy of our reply is also inclosed.

Our letter was answered by the withdrawal of the arbitration request and a pretense of submitting the matter to vote was made, with the result that the governor's proposition was unanimously voted down by the miners. We are, however, beginning to receive reports of the manner in which the voting at the meetings was conducted. These reports show that the proposition was railroaded through and not fully explained to the men. Had a secret ballot been taken we believe the majority of the men would have voted to return to work, as we have the best of reason for believing that most of the men now on strike are staying away from the mines only through fear of attack from the organization's agents.

Our anthracite and bituminous mines at Crested Butte are both idle and we do not contemplate making an effort to start them up before spring, when we believe the old men, or such of them as we want, will return to work. Our three mines in the canyon district are also idle, but we believe that these men will return in a body when they find that southern Colorado mines are being operated in a substantial way. The miners in the canyon district have always been union sympathizers and have for many years been more or less independent of the southern Colorado men. There has been no violence in that district, probably for the reason that we have not attempted to work the mines, and we do not consider that it will be necessary to replace these men. In the two southern Colorado counties, Huerfano and Las Animas, most of the mines are working with fair forces, some of them having all of the men that they can now employ. Fifteen hundred miners in addition to those at work would give the operators in the two counties referred to all the coal that could be sold, although it would not be the normal production.

We have established an employment organization and have commenced very actively the movement of men from the East. Many of the mining districts have comparatively light work and miners are not difficult to secure. We feel, therefore, that within 30 days we will have almost as many miners as we require. It is my personal opinion that the shipment of a thousand men from the outside will bring half as many back to the mines from the strikers' camps. In normal times the winter production of coal in Colorado is about 1,000,000 tons per month, but the season has been open, people in the agricultural States have been economizing in the use of fuel, and dealers in those States stocked up well during the late summer. These conditions, taken with the lighter demand for steel, which will reduce our coal consumption at the steel plant at the rate of about 50,000 tons per month, will serve to reduce the demand for Colorado coal at least 20 per cent. Therefore, 750,000 or 800,000 tons per month

at the outside would meet all requirements for Colorado coal during the remainder of this winter.

We are experiencing an unusual snowstorm to-day on top of an average storm about two days ago, and the result is from 18 inches to 2 feet of snow in northern Colorado as well as in the southern district. This ought to cause a good many of the strikers who are living in the tents provided by the organization to seek the comfortable houses and employment at the mines.

At Secretary Wilson's request, communicated through our governor, the operators' committee, composed of J. C. Osgood, D. W. Brown, and myself, met him this morning and devoted about two hours to the discussion of the proposition, for the reason that it could not possibly avoid leading to recognition of the union or its officers, and for the further reason that there are no substantial differences between our men and ourselves. Wilson says he expects to go back to Washington to-night, and we hope he will.

Yours, very truly,

Mr. J. H. McCLEMENT,  
New York, N. Y.

Letter from J. H. McClement to J. H. Welborn, dated December 19, 1913.  
(Letter identified and offered is in the words and figures, following, to wit:)

135 BROADWAY,  
New York, December 19, 1913.

Mr. J. F. WELBORN,  
President Colorado Fuel & Iron Co., Denver, Colo.

DEAR MR. WELBORN: A friend of my son has applied to me for a position. His name is Anthony Fehr. He is a native of Austria and a college graduate, 30 years of age. For eight years he has been in the United States Navy, advancing to the grade of chief petty officer. He has taken an honorable discharge, feeling that the Navy offered no further chances for promotion, and feels that he has made a mistake in his selection of a vocation. He is a man of good habits, good physique, and willing to work.

I thought in your present disorganized state, if he went to Colorado you might find some position where he could make a new start. All he wishes is a start and a chance to earn a living, depending upon his own merit and the opportunities which might be offered for advancement.

If you need such a man please wire me and I will send him out to you.

Yours, very truly,

J. H. McCLEMENT.

Copy of letter from J. F. Welborn to J. H. McClement, dated December 29, 1913.

(Letter so identified and offered in evidence is in the words and figures following, to wit:)

[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

MY DEAR MR. McCLEMENT: I have yours of the 19th instant, regarding a young Austrian gentleman, a friend of your son, who has applied to your for a position.

During the first two or three months of the strike nearly everyone connected with the company was engaged in whatever would best serve the interests at the time, much of the work naturally being of a very temporary nature. We have, in a way, gotten on our feet again, and now for several months to come will have to watch economies very closely. We probably ought to reduce forces more than we really will, as we can not entirely disregard the loyalty that has been shown to the company's interest by so many of our old employees.

As for taking on new men, I hardly see how it would be possible for us to do it in any department whatever, except, of course, the common laborers.

I might also say, that so far as Colorado generally is concerned, I think it a very poor place for any one to seek employment of an important nature. Business generally is at as low an ebb as I have ever known it here, and the reductions in working forces with the larger companies are very general.

Before closing I want to say that we have about all of the miners now in southern Colorado that we will be able to work, but do not anticipate full production from them for several weeks, as it will take some time for all of

them to find satisfactory places and get into working trim. It is hardly probable that the mines in the canyon district or those on the western slope will reopen before the beginning of another busy season. Only a small percentage of their output could now be used if they were in operation, and if our expectations as to operations in the south are realized, we will have enough coal in that district to take care of all wants, although the tonnage may not be much above 60 to 70 per cent of our normal output from all mines.

Yours, very truly,

Mr. J. M. McCLEMENT,

*New York, N. Y.*

Copy of letter from J. F. Welborn to J. H. McClement, dated May 23, 1914.  
(Letter so identified and referred to is offered in evidence and is in the words and figures as follows, to wit:)

[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

MAY 23, 1914.

MY DEAR MR. McCLEMENT: I feel very guilty for not having written you before about the happenings in connection with our coal-strike matters since your were here. It has seemed impossible, however, to secure even 30 minutes of time to myself since April 20, when the outbreak at Ludlow took place.

The general press reports have been very incorrect and, in many cases, absolutely false. I assume, however, that you saw a copy of the operators' telegram to Dr. Foster, in reply to one he sent Mr. Rockefeller April 29, which was handled by the Associated Press. I am, however, inclosing a copy of this, together with copy of a second telegram we sent Dr. Foster, supplementing the first; also copy of a telegram sent to President Wilson and signed by all of the principal operators except the C. F. & I. Co.

Monday I will try to write a general résumé of events from April 20 down to date.

Yours, very truly,

Mr. J. H. McCLEMENT,

*135 Broadway, New York.*

Letter from J. H. McClement to J. F. Welborn, dated May 26, 1914.  
(Letter so identified and offered in evidence is in the words and figures as follows, to wit:)

135 BROADWAY,  
*New York, May 26, 1914.*

Mr. J. F. WELBORN,

*President Colorado Fuel & Iron Co., Denver, Colo.*

DEAR MR. WELBORN. I thank you very much for your letter of the 23d instant and have read the clippings inclosed therewith with great interest. Several of them were not published in the eastern papers.

I am waiting with much interest your further information as to how the mines are working and what progress is being made in production. With kind regards, believe me,

Yours, very truly,

J. H. McCLEMENT.

Copy of a letter from J. F. Welborn to J. H. McClement, dated May 27, 1914.  
(Letter so identified and offered in evidence is in the words and figures as follows, to wit:)

[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

MAY 27, 1914.

MY DEAR MR. McCLEMENT: The outbreak at Ludlow on April 20 was one of the most vicious things that has happened since the strike was called. There is abundant evidence to show that the attack had been carefully planned by the strike leaders to take place on April 21, but through indiscretion on the part of some of the Greeks, and, perhaps, others, it was precipitated on the morning of April 20. Many of the women and children had been sent away, and in point of numbers the strikers were sufficiently large to have completely annihilated the small squad of militiamen that had been left at and in the vicinity of Ludlow, which aggregated about 45. Only 12 of these were at

Ludlow when the outbreak occurred, but the others were only a short distance away and soon came to the relief of their comrades.

Reinforcements were obtained from two troops just previously organized at Trinidad and Walsenburg and made up of mine employees. These troops had been organized by the adjutant general when the governor decided to call practically the entire force of the militia out of the field, in order that there might be a reserve force to call upon in an emergency. The wisdom of having these enlisted men available can not be questioned, as without them the 45 men previously referred to would have been entirely unable to cope with the overwhelming forces of the strikers.

In the first attack on the militia a private by the name of Martin was shot in the neck but not killed. First-aid bandages were applied, and his comrades started to carry him back to a place of safety, but were forced to leave him—as they thought only temporarily. They were, however, unable to get back to him for some time, and when they did reach him the work of destruction had been completed by the strikers. His face had been broken in a number of places, a gun discharged in his mouth, and his body from his neck down perforated with bullets. One can imagine the feelings of this man's comrades when they viewed his body in that condition, and it would not have been surprising if they had disregarded all rules of warfare when they had an opportunity to make themselves effective against the attacking party. All the evidence goes to show that, except that Lieut. Linderfelt broke his gun over the arm or head of Louis Tikas, the Greek leader, no acts that could be criticized were committed by any of the militia. The tents caught on fire while the militiamen were several hundred yards away, and was either the result of an exchange of shots between the militiamen and strikers located in the tent colony or started by the act of some one within the colony. As has been stated before, no women or children were shot. The 12-year-old boy who was killed was unquestionably shot by some one of the strikers, as the evidence showed that the bullet was of the explosive character used by the strikers and not by the militiamen. The evidence of a doctor of the Hastings mine showed that the 11 children and 2 women who were taken out of the pit the next morning dead had been suffocated probably before the tent caught on fire. While the tents were burning militiamen discovered some women inside, and rushed in under heavy fire from strikers intrenched a short distance away and rescued all of the women and children that they could find, supposedly all that had been left in the tent colony.

The next morning a large number of men attacked the Delagua mine of the Victor-American Fuel Co. and killed three men who were defending the property and lives of the workmen. They next moved on Aguilar, where they destroyed the top workings of three or four mines, and after driving several men, women, and children, including the president of one of the smaller companies, into one of the mines they sealed its opening with explosives.

Under heavy pressure we induced the lieutenant governor, in the absence of Gov. Ammons on a trip to Washington, to order the militia back into the field. Before they reached the real trouble zone, however, the lieutenant governor had established a truce with the attorney representing the United Mine Workers, under one of the conditions of which the militia were not to move south of Ludlow, and that the strikers would cease their attacks on the militia and mine property. This truce was, in my judgment, nothing short of a conspiracy, and I so informed the lieutenant governor when he told me about it. Results showed that my judgment was right, as the truce was not observed more than a few hours, if really at all, by the miners. However, the lieutenant governor continued to observe the peace pact, and on Ammons's return two or three days later he continued it. Had the militia been allowed to move without restraint under the direction of the adjutant general much, if not all, of the disaster and bloodshed that followed during the next few days would have been prevented, for I do not think the strikers would have engaged the enlarged military force at any point; if they had, the results would have been far different from those that have heretofore been reported.

Early on Monday, April 27, an attack was made on our Robinson and Walsen mines by a large force intrenched in what locally is termed a hogback or dike about a mile north of these mines. Our guards, that had been well armed and whose forces had been augmented somewhat, took up a position on a hill between the mines and the hogback, keeping the strikers far enough away from the mines to prevent their doing us any injury at those properties. They did, however, succeed in reaching our McNally mine, lying between the strikers' intrenchments and the position occupied by our guards, and drove out

the small force of men we had there looking after the property, which was idle, and burned some of the buildings. The men ceased work in the Walsen and Robinson mines and came to the relief of the guards, a total of 160 of our workmen in and around those mines taking up guns in the protection of their lives and our property. Early on the morning of Wednesday, the 29th, assistance was given us from the military force that had been established at Ludlow, which is about 25 miles south of Walsenburg, and maintained there under the terms of the peace pact. These men were under what, I consider, a very incompetent colonel, and his work was of a negative character. He, however, responded to the attack of the strikers a little before noon, but the engagement lasted only an hour or an hour and a half until another truce was established between the governor and the representatives of the United Mine Workers. After the establishment of the truce, Dr. Lester, engaged in treating a wounded soldier and wearing a Red Cross badge, was killed. Because of what, I think, was cowardice on the part of the colonel in charge, his body was not recovered until 9 o'clock that night, having been allowed to lie on the field about seven hours. During this time it had been robbed, more shots fired into it, and the part of his clothing carrying the Red Cross badge had been removed. The truce was established between 1 and 1.30, and immediately the commanding officer in the field commenced to withdraw his men. At 5 o'clock the strikers went into our McNally mine and completed the destruction of most of the top workings.

Also, on the morning of April 29, at 5 o'clock, a large force of men, headed by between 50 and 60 Greeks, and composed entirely of foreigners, attacked the Forbes mine, which is between Trinidad and Ludlow and about 5 miles from the latter place, killing nine men in cold blood, burning the barn with 33 mules, and destroying much other property. Under the terms of the first peace pact referred to, the militia were not allowed to go south of Ludlow, although the major, Hamrock by name, in charge at that point, begged the governor, through the adjutant general, for permission to send the small squad to the relief of the Forbes workmen. He had learned during the night before that the attack was to be made, and at that time made the request for permission to protect the men. He renewed his request early the following morning when evidence reached him that the attacking party was at or near the mine. This was the most cold-blooded act of the entire strike, showing not only premeditation but a heartlessness that seems to be characteristic of the Greek race.

Federal troops arrived early Thursday morning, April 30, and since then we have had comparative peace. During the entire siege, from April 20 to April 30, we were fortunate enough to lose no men. The total value of the property destroyed at McNally was about \$30,000.

No greater loyalty to employers has ever been shown than was demonstrated by our workmen, composed of, I think, practically all nationalities, when 160 of the regular mine employees took up arms in protection of their lives and our property at Walsen; a large number did the same at the Berwind and Tabasco mines near Ludlow. At the latter properties unarmed men accompanied those with arms into the hills to intercept the attacking parties, and did so with the expectation of taking up the gun of some one who was shot down in the event an attack was made.

The policy of the Federal troops is not entirely satisfactory to us, although we have about as many men at work to-day as we had before the outbreak of April 20. They will not, however, permit us to bring in any men from outside the State and require that all of those seeking employment shall go direct to the mines where they want to work and make their application, rather than making it through our office here or in Trinidad. I am sure that they are obtaining a large amount of valuable information, and that in a general way they know where the guns, which the strikers failed to deliver, are hidden. They are, however, unquestionably acting under directions from Washington, and without authority to search for arms until specifically directed by Washington to do so.

A so-called mediation committee, composed of an old active officer of the United Mine Workers of America and a former Kentucky coal operator, has been appointed by Secretary of Labor Wilson, and the gentlemen have been at work here for about two weeks. The coal operator shows strong sympathies for the operators here, and, if we can believe what he says, we have a right to expect a favorable report from him.

Our State legislature, as you doubtless know, was called into extra session on the fourth of this month and passed two or three desirable bills, one an appropriation for the military expense, and adjourned after a session of about two weeks. A legislative committee composed of six was appointed to investigate the strike and attempt to bring it to a termination. That committee has been divided into three subcommittees composed of two each, who will leave to-night and to-morrow to make preliminary investigations in three different parts of the State. It is too early to hazard a guess as to their course, but we naturally hope that they will report in accordance with the facts.

I have written this hurriedly, in a somewhat rambling fashion, as I have been unable to take enough time to myself without interruption since Monday morning to give you a clear and concise statement of affairs, and on account of the death of Mrs. Welborn's mother last night I find it necessary to leave the office between 3 and 4 o'clock this afternoon, and for that reason will not be able to sign the letter personally.

Yours, very truly,  
Mr. J. H. McCLEMENT,  
New York, N. Y.

Letter from J. H. McClement to J. F. Welborn, dated June 3, 1914.

(Letter so identified and offered in evidence is in words and figures as follows, to wit:)

135 BROADWAY,  
New York, June 3, 1914.

Mr. J. F. WELBORN,  
President Colorado Fuel & Iron Co., Denver, Colo.

DEAR MR. WELBORN: I am very much obliged for your interesting résumé of labor conditions contained in your letter of May 27, which I have taken the liberty of forwarding to Mr. Murphy for his and Mr. Rockefeller's information.

We fully appreciate the trying ordeal which you and all our loyal employees, officers and men, are undergoing during this war for a principle and sincerely trust that it will not last much longer. With kind regards,

Yours, very truly,

J. H. McCLEMENT.

Copy of letter from J. F. Welborn to J. H. McClement, dated August 18, 1914.

(Letter so identified and offered in evidence is in words and figures as follows, to wit:)

[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

AUGUST 18, 1914.

MY DEAR MR. McCLEMENT: I feel guilty of neglect in not having written you before this in connection with strike matters, and yet little of moment has happened since my last letter on the subject.

No change has taken place in the policy of the Federal troops with respect to the employment of men, although I do not think their rules are as rigidly enforced as at the beginning. Our gain in the number of men employed has not been material, though the efficiency of the men has improved somewhat, and consequently our production has increased a little over what it was in May.

The committee from the Secretary of Labor's office in Washington has made no report on the Colorado matter and probably will not for some time. One of the members of the committee recently underwent an operation for appendicitis at his home in Kentucky and is not now on duty. Our own legislative committee made what they considered an extensive investigation of conditions; held two or three interviews with the operators; made some recommendations which we could not accept; but have not made their report, and I am inclined to think will make none before the regular session of the legislature convenes this winter unless in the meantime some unusual condition should develop which would in their opinion call for an immediate report. It appears that when they were appointed they practically agreed that no report should be made that could not be signed by all members of the committee. If they adhere to this agreement, it is not probable that a report of any value will be made, as four of the members of the committee are disposed to a report wholly based on the facts, while the fifth member of the committee is a Progressive,

closely allied with Costigan, the attorney for the United Mine Workers of America, and the sixth is a politically ambitious Democrat.

All of the reports that have come to us from confidential sources during the past few weeks indicate a growing dissatisfaction on the part of all the strikers, and threats have been made by many (some of which have been put into execution) to return to work. Our information goes to show that the officers of the organization are very tired of the strike and acknowledge to themselves that they have been defeated, yet I do not consider it probable that the strike will be called off. On the other hand, it is not improbable, in my judgment, that the benefits will be withdrawn or materially reduced. The effect of this would naturally be to cause a great many of the men to forsake the strikers' forces and go back to work. If the national organization of the United Mine Workers of America had sufficient funds I believe contributions would continue on a reasonably liberal basis at least until after election, and even with a broken treasury I think they will continue some benefits until after the November election in the hope that either the Democratic or Progressive candidate for governor will be elected, and as a result greater pressure than heretofore will be put on the operators to yield some point or points that will enable the miners' organization to call the strike off without admitting complete failure. The political situation is far from satisfactory. There seems to be a rather strong feeling in favor of law and order, and both women's and men's law and order leagues have been organized. There has not, however, been a complete and, in my judgment, effective organization perfected in the Republican Party. At any rate, many of us are fearful that the Republican candidate for governor will not be elected.

Yours, very truly,

Mr. J. H. McCLEMENT,  
New York, N. Y.

Also here is a copy of a letter from J. F. Welborn to J. H. McClement dated January 27, 1914.

(Letter so offered in evidence is in words as follows, to wit:)

[Colorado Fuel & Iron Co., Denver, Colo. Mr. J. F. Welborn, president.]

JANUARY 27, 1914.

Mr. J. H. McCLEMENT,  
135 Broadway, New York, N. Y.

DEAR SIR: I inclose herewith statement of December earnings and earnings for the first six months of the fiscal year compared with corresponding periods of last year.

We feel quite sure that we have struck the bottom, and that from now on we will be able to show gains compared with the earlier strike months.

We are now producing enough fuel to operate the steel plant to a capacity sufficient to take care of all demands, and it is encouraging to note that the buying of steel products has materially increased since January 1. Prices, however, on practically everything we make, except rails, are much lower than they have been for years.

Yours, very truly,

J. F. W.

P. S.—Statement for November and five months of fiscal year also inclosed.

Copy of letter from J. F. Welborn to J. H. McClement, dated August 18, 1914. (Letter so offered in evidence is in words and figures as follows, to wit:)

[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

AUGUST 18, 1914.

MY DEAR MR. McCLEMENT: I inclose herewith statement of earnings for the year ending June 30 compared with the previous year; also statement of July earnings of last year. In each case the figures show a slight surplus. In June it was due to the adjustments at the end of the year, made up largely of dividends on stocks of subsidiaries, but in July the surplus was the direct result of the month's operations.

It is gratifying to again have a month's returns that do not show a large loss, yet with the unusual war conditions abroad, which are greatly interfering with all lines of business, we can not be optimistic as to the imme-

diate future. Instead of booking new rail orders for winter and early spring delivery, as is the custom at this time of year, we have been asked a number of times during the past three weeks to suspend shipments on orders placed for what might be termed current delivery. Our rail orders for this fall's delivery were in the aggregate light and have been greatly reduced by these suspensions. The result is that we are now working our rail mill but half time in order to spread the small amount of business over as long a period as possible, hoping thereby to avoid a complete shutdown within a few weeks.

I anticipate that we would have a very good coal business in the agricultural States, which ordinarily buy large quantities of high-priced coal, if the strike were not interfering with our output.

Yours, very truly,

Mr. J. H. McCLEMENT,  
135 Broadway, New York.

Another copy of letter from J. F. Welborn to J. H. McClement, dated October 21, 1914.

(Said letter so identified and offered in evidence is in words and figures as follows, to wit:)

[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

OCTOBER 21, 1914.

Mr. J. H. McCLEMENT,  
135 Broadway, New York, N. Y.

DEAR SIR: I inclose herewith copies of the August and September reports of earnings, compared with corresponding periods of the previous year.

It is very disappointing to have to report a deficit in each month, yet this can now be charged to poor business rather than to the strike. Not during the past 10 or 12 years, if since 1898, has the actual rail business in hand and in prospect been as poor as it is at this time. We are able to keep our rail mill going at about half capacity by working mainly on orders placed for delivery in the early months of next year. This is keeping our organization together at both the steel works and the coal mines, but operations on that basis can not be conducted at a profit.

Yours, very truly,

J. F. W.

Chairman WALSH. Now, have you copies of all those originals—have you finished with the McClement list?

Mr. WELBORN. Yes; I have.

Chairman WALSH. Have you retained in your office copies of all this correspondence which you have offered here?

Mr. WELBORN. No; I have not, because some of it was copied in your office here.

Chairman WALSH. I would like to leave all that correspondence with Mr. Dower. We expect to leave here to-morrow at noon, but Mr. Dower, our secretary, will be here until noon and will take it up with you and check it up, and, if necessary, he can give you copies now.

Mr. WELBORN. Mr. West gave me a file of copies, presumably complete, just a few minutes ago.

Chairman WALSH. Leave those, please, with Mr. Dower, and he will check them up and return them to you. All the original files you stated at this conference you had of a correspondence with Mr. Rockefeller and Mr. King at Tarrytown, and then the one you had when Mr. Hywell Davis and Neil were present, that, I understood you, was in the latter part of September?

Mr. WELBORN. Yes, sir.

Chairman WALSH. Was it after the letter had been written to the President?

Mr. WELBORN. After I had been to Washington and from there gone to New York.

Chairman WALSH. It was the last week of September, then?

Mr. WELBORN. Yes, sir.

Chairman WALSH. Thank you, that will be all.

Mr. WELBORN. This Mackenzie King correspondence has not been read in yet, that which I sent you yesterday.

Chairman WALSH. Just put that in, please.



Mr. WELBORN. The first is an extract from a letter from W. L. Mackenzie King, dated August 6, 1914, and the original letter from John D. Rockefeller, Jr., to J. F. Welborn, dated August 11, 1914.

(The letters so identified and referred to are in the words and figures following, to wit:)

[Extract from letter of W. L. MacKenzie, dated Aug. 6, 1914.]

I agree with you in believing it to be extremely unlikely that the United Mine Workers of America will call off the strike. They might be willing to drop open, active support by degrees, but I am inclined to think that where recognition has been the principle for which they have been fighting, they will not openly abandon the struggle with anything short of what they may be able to construe as such.

It may be, however, that organized labor in the United States will realize the opportunities and handicaps likely to come to certain industries through the changed conditions of Europe, and will be prepared to cease hostilities where industrial strife at present exists, in order that on the one hand labor may reap with capital a fuller measure of the harvest, or, in industries that may be differently affected, protect itself against consequences that are certain to arise. I fear that the view likely to be taken by some of the leaders may, at the outset, be the shortsighted one of endeavoring to persuade their followers that the opportunities which may come to American capital through the crippled condition of industries elsewhere will induce a recognition which under less favorable circumstances might not be granted. This is almost certain to be the immediate effect, and I think you are wise, therefore, in dismissing altogether from your mind the possibility of the United Mine Workers calling off the present strike, even if under any circumstances short of recognition they would be likely so to do. It will not be very long, however, before the inevitable effects of the European war on American labor conditions are certain to make themselves felt, both because of the scarcity of capital available for investment and the crippled condition of industry on the other side, and once this becomes apparent the unions will have to revise considerably some of their present policies.

It would be fortunate indeed if, out of the changed conditions which this European war is certain to produce, a means might be found of restoring industrial peace in the United States in industries such as coal and fuel, where there is a certainty of a direct bearing. It may be that among those who are embarrassing the situation in Colorado there are many foreigners who may feel compelled to return to Europe, and that may prove an immediate factor of importance. Looking at the ultimate, rather than the immediate, effect, there is, speaking generally, going to be a large amount of unemployment as a consequence of this war, and once the war is over thousands of men and their families in the Old World are going to seek future employment in the New. In certain industries it is going to be easy for employers to find all the labor they desire, and unions will be confronted with a new problem. Recognition, simply for the sake of recognition, is going to be seen to be less pressing as an immediate end than that of maintaining standards already existing, and may rightly come to regard as their friends and allies companies and corporations large enough and fair enough to desire to maintain these standards of their own accord. For the unions to take a different view will certainly mean to lose the substance of fair conditions while wasting resources in fighting for the shadow of recognition. Here, it seems to me, lies a possible avenue of approach toward restoring normal conditions in Colorado.

The possibilities here set forth might be pointed out by employers in a perfectly frank and open manner. It might be said with equal frankness that were it desired to profit by such a situation, employers may seek later to enforce individual agreements with all men desiring to enter their employ; may even consider, as some doubtless will, altering conditions of employment to their supposed immediate advantage. Between the extreme of individual agreements on one side, and an agreement involving recognition of unions of national and international character on the other, lies the straight acceptance of the principle of collective bargaining between capital and labor immediately concerned in any certain industry or group of industries, and the construction of machinery which will afford opportunity of easy and constant conference between employers and employed with reference to matters of concern to both, such machinery to be avowedly constructed as a means on the one hand of pre-

venting labor from being exploited, and, on the other, of insuring that cordial cooperation which is likely to further industrial efficiency.

Granting the acceptance of the principle outlined, the machinery to be devised should aim primarily at securing a maximum of publicity with a minimum of interference in all that pertains to conditions of employment. By this I mean that the hope of establishing confidence between employers and employees will lie more in a known willingness on the part of each to confer frankly with the other than in anything else. Similarly, the avoidance of friction, likely to lead to subsequent strife, is likely to be minimized by agencies which will disclose the existence of irritation and its cause at or near inception. Trouble most frequently follows where ill feeling is allowed to develop unknown or unheeded.

A board on which both employers and employed are represented, and before which, at stated intervals, questions affecting conditions of employment can be discussed and grievances examined, would appear to constitute the necessary basis of such machinery. The size of this board, and whether there should be one or many of such boards, would depend upon the numbers employed, the nature of the industry, and whether or not the work is carried on in one or several localities. Where, for example, there are different mines or refining plants as well as mines, it might be that the boards pertaining to each individual concern might be combined with provision for reference to a joint board covering the whole industry or group of industries to which matters not settled by smaller boards might be taken for further discussion and adjustment.

In determining the character of representation upon such boards, broadly speaking, a line might be drawn between those who are "paid salaries" on the one hand, and those who "earn wages" on the other hand. This is very rough and very general, for there are, in some industries, a class of petty bosses whose interests may appear to identify them more closely with wage earners than with salaried officials, but, broadly speaking, men who have authority to give orders and to direct operations fall into the salaried class, while the men who have no authority to direct others and whose own work is subject wholly to direction, fall into the category of wage earners. The selection of representatives on such boards should be made at a meeting or meetings of the employees called expressly for the purpose. It might be left optional for the employees to say whether they desired a permanent form of organization of which their representatives on a board would be the officers, or whether they would prefer the selection of individuals at stated periods, without reference to any permanent form of organization. It could also be left optional with the workers themselves to say whether they wished to allow the representatives so chosen a salary in payment of their services or whether such services would have to be voluntary. A company might, with propriety, offer to provide a place of meeting for the boards, and possibly go the length of supplying the employees with permanent office accommodations for their representatives, leaving it, however, to the employees themselves to provide whatever might be necessary in the way of salaries and expenses in the keeping up of such offices.

It would not appear desirable at the outset that these boards should have anything to do with benefit features. They should not be framed with a view of restricting, through possible benefits, the liberty of any man as respects the continuance of his employment, but should aim primarily at affording a guaranty of fair play in determining, in the first instance, the conditions under which men would be obliged to work and the remuneration to be paid; and, secondly, the carrying out of these conditions in a spirit of fair play.

One thing to be especially aimed at in the construction of such boards would be the making virtually certain of the possibility of grievances or conditions complained of being made known to and subject to the review of persons in authority over and above the parties immediately concerned, where the parties fail to adjust these differences between themselves; this to be carried even to the point that directors, if need be, should have, where the numbers to be affected are likely to justify it, a knowledge of the situation and power to pass upon it. This feature will probably not appeal to pit bosses and managers who may desire absolute authority. On the other hand, I am convinced it would be possible to so frame a constitution for these boards that the possibility of this review would in no way interfere with discipline, but would be a material assistance rather than a handicap to those who are charged with responsibility.

What might be expected of a board of this kind would be that employees, before taking up any question with the officers of the company, would try to adjust or settle it among themselves. Failing adjustment in this manner, dif-

ferences and difficulties would be presented to the officers of the company, not by the individuals immediately affected, but by the duly constituted representatives chosen to safeguard the interests of all. Having had a preliminary sifting in this manner, cases could be brought before a committee of the board or before the whole board in any one industry for adjustment. If it should be found that an individual board could not definitely determine a matter of importance, there might be brought a further appeal on stated conditions to a board chosen to represent the industry as a whole, or a group of allied industries, the purpose here being to get away, to a degree, for purposes of adjustment, from the parties immediately concerned, but not wholly away from parties likely to be ultimately affected. This would make it an essential that all members of such boards, excepting possibly persons chosen as chairmen, referees, or umpires, should be persons actually employed in the industry or connected with it in some way, not persons chosen from outside. It should be possible, however, for workmen to select one or more of their number who could give their entire time to acting in a representative capacity and pay them a salary pending their acting in such capacity.

I think, in a very rough way, this covers the points mentioned in our conversation. I really hesitate to send this letter in such rough outline and without care in preparation. I believe so strongly in never advising in regard to any situation until one has made oneself familiar with all its phases that I feel I am running a great risk in even setting forth what this letter contains, as there may be conditions or reasons which will render its suggestions wholly inapplicable to some of the industries with reference to which consideration is invited.

26 BROADWAY,  
New York, August 11, 1914.

DEAR MR. WELBORN: For some months we have been talking with different ones who are familiar with the subject about some simple machinery which would insure quick and easy access on the part of the employees of the fuel company to the officers of the company with reference to any grievances, real or assumed, or with reference to wages or conditions of employment, feeling that the officers of the company might think that the introduction of some simple mechanism of this kind would tend to promote kindly feeling between the employees and the officers, as well as be a further evidence to the public of the entirely fair and just attitude of the officers toward their men. Among the men with whom we have talked on this subject we have found no one more intelligent, more practical, or more experienced than Mr. W. L. Mackenzie King, who was a short time ago the secretary of labor of Canada. As deputy secretary, Mr. King himself settled 45 strikes. It is he who prepared and put on the Canadian statute books laws with reference to the handling of industrial disputes which have so materially reduced the number of strikes in Canada during the past few years. Mr. King is a man who has approached this subject from both the theoretical and the practical side. I fancy that his success in settling the strikes above referred to was due partly to his extensive knowledge of and wide experience in dealing with industrial difficulties and partly to the fact that he has the faculty of making men of high and low degree believe in his sincerity and genuineness. Having had several conferences with Mr. King during the past few months along these lines, it occurred to me the other day to ask him to outline briefly some simple machinery which would accomplish the result suggested at the beginning of this letter. I am inclosing a copy of that portion of his reply which deals with the subject. You will understand that as a Canadian subject closely related to the Government, Mr. King is overwhelmed with public duties at this time in connection with the European war. He has been unable to give the subject of my letter any careful or continued thought, but has dictated hurriedly some of the points which he made in his discussions of this subject with us.

I am sending this memorandum to you in the most informal way, without any conference with my colleagues, simply for the purpose of ascertaining whether you gentlemen in Denver believe that anything along these lines is worth considering for the fuel company. If you think it is, as we are inclined to believe, it occurs to me that it might be possible for us to arrange with Mr. King, should you so desire, to go to Denver, at your invitation, for conference privately with you gentlemen. The purpose of this conference would be for you to give him the many facts as to the fuel company's organization, a knowledge of which would be essential to enable him to outline a plan adapted to the

specific requirements of that company. If there is any man available who could be helpful in working out such a plan as this, I believe Mr. King is the man. My thought would be for him to go to Denver in an entirely private and unofficial capacity as your guest, without its being generally known that he was there. I should not expect him to undertake to visit the coal properties of the company, but rather simply to confer with you gentlemen in your own office.

I shall appreciate a frank expression of your feeling on this general subject, and if I can be of any help in developing a plan, should the idea meet with your approval, or in securing such a visit from Mr. King, as I have suggested, I shall be only too glad to do so. I may say in passing that I had a few words with Mr. Lee on this general subject before he went West.

Very truly,

JOHN D. ROCKEFELLER, JR.

MR. J. F. WELBORN,  
*President Colorado Fuel & Iron Co.,  
Denver, Colo.*

I have also another letter which was missing from one of the files. You will recall, perhaps, some correspondence relating to a letter written by William Park Athey?

Chairman WALSH. Yes, sir.

MR. WELBORN. Last night I was trying to take care of the correspondence that had accumulated in the last three weeks, and I find among a large mass of stuff the original letter from William Park Athey to Mr. Rockefeller, which had been forwarded to me by Mr. Rockefeller's secretary, Mr. Heydt. The letter from Mr. Athey is dated November 5, 1914.

(The letter so identified and referred to is in the words and figures following, to wit:)

HOLLY, COLO., November 5, 1914.

HON. JOHN D. ROCKEFELLER, JR.,  
*President Rockefeller's Foundation, New York, N. Y.*

DEAR SIR: While in the strike district helping to protect part of your property, I received two certificates of indebtedness from the State military fund, amounting to \$41, which I have been unable to cash.

As I was trying to support a mother and two sisters previous to the call, therefore, after the call I was unable to meet my expenses and am now in a distressed financial condition. That is the reason for making this personal appeal to you.

Hoping that you can see fit to take these off my hands, thereby doing an act of kindness, I am,

Yours, respectfully,

WM. PARK ATHEY.

P. S.—I am not of age, therefore, can not borrow money, but if you doubt my honesty and character kindly refer to the First National Bank of Holly.

WM. PARK ATHEY.

The copy of Mr. Heydt's letter of transmission, to me or to Mr. Athey is dated November 17, 1914.

(The letter so identified and referred to is in the words and figures following:)

NOVEMBER 17, 1914.

MR. WILLIAM PARK ATHEY,  
*Holly, Colo.*

DEAR SIR: In the absence of Mr. John D. Rockefeller, jr., I acknowledge receipt of your letter of November 5 and have referred the same to Mr. J. F. Welborn, president Colorado Fuel & Iron Co., Denver, Colo.

Very truly,

CHARLES O. HEYDT.

Chairman WALSH. Just one other thing. Commissioner Weinstock, who has gone away, has left a request for you to meet Mr. Grant at your office, who wants to go over certain letters with you and certain records about which you testified here—that is, as to arms purchased and where they were purchased, and certain things of that kind. Mr. Grant will take it up with you, and knows what the commission desires.

MR. WELBORN. All right; when will I see him?

Chairman WALSH. We are crowded now; either to-day or after we go away.

MR. WELBORN. After you go away will suit me better.

Chairman WALSH. That is all; thank you, Mr. Welborn.

## TESTIMONY OF MR. W. E. BROOKS.

Chairman WALSH. What is your name?

Mr. BROOKS. W. E. Brooks.

Chairman WALSH. What is your age?

Mr. BROOKS. About 38.

Chairman WALSH. Where do you reside?

Mr. BROOKS. At the present time at Hastings.

Chairman WALSH. Are you married or single?

Mr. BROOKS. Married.

Chairman WALSH. Is your family at Hastings?

Mr. BROOKS. No, sir; in Alabama.

Chairman WALSH. How long have you been at Hastings?

Mr. BROOKS. I have been at Hastings since about March.

Chairman WALSH. Are you working there at Hastings as a miner?

Mr. BROOKS. Yes.

Chairman WALSH. For what company?

Mr. BROOKS. The Victor-American Fuel Co.

Chairman WALSH. You are a coal digger there, are you?

Mr. BROOKS. Yes, sir.

Chairman WALSH. Have you ever followed that occupation elsewhere?

Mr. BROOKS. Yes, sir.

Chairman WALSH. Where else?

Mr. BROOKS. Alabama, Oklahoma, Illinois, and Washington.

Chairman WALSH. Have you ever been a member of the United Mine Workers of America?

Mr. BROOKS. I have.

Chairman WALSH. Whereabouts?

Mr. BROOKS. In all those States I have mentioned, except this State.

Chairman WALSH. When did you come into the Colorado field?

Mr. BROOKS. This last time I came in along in the winter, in December.

Chairman WALSH. Where were you employed?

Mr. BROOKS. First at ——— for the C. F. & I., and then I came to Hastings for the Victor-American.

Chairman WALSH. Where were you when you undertook to come to Colorado first? Were you employed to come here?

Mr. BROOKS. No, sir; I was in Washington when I came to Colorado the first time.

Chairman WALSH. How did you happen to come to Colorado?

Mr. BROOKS. I wasn't doing no good there.

Chairman WALSH. Did you know there was a strike here at the time?

Mr. BROOKS. The last time, I knew there was a strike.

Chairman WALSH. Did you come here for the purpose of working in the mines?

Mr. BROOKS. I did.

Chairman WALSH. When did you first work under union conditions?

Mr. BROOKS. About three years ago.

Chairman WALSH. What was your object in coming here?

Mr. BROOKS. I was trying to better my condition.

Chairman WALSH. Did you resign from the United Mine Workers?

Mr. BROOKS. I brought a card with me, but on my way from Washington here I could not get any work where the union was at, and I came on to where there was no union.

Chairman WALSH. You have quit the union, have you?

Mr. BROOKS. I presume I have; I have not been in it for three years.

Chairman WALSH. What objection have you to belonging to the union?

Mr. BROOKS. Well, I have two or three objections.

Chairman WALSH. State what they are.

Mr. BROOKS. Well, it is a detriment to me and my people, you might say.

Chairman WALSH. You mean to the colored race?

Mr. BROOKS. Yes, sir; to the colored race.

Chairman WALSH. Do you say that they discriminate against you?

Mr. BROOKS. Yes, sir.

Chairman WALSH. In what particular, in what way?

Mr. BROOKS. When I was in Illinois and worked around Springfield, I could only work at three mines.

Chairman WALSH. They objected to you on account of your color, did they?

Mr. BROOKS. Yes, sir; they objected to me on account of my color. They say they don't discriminate against any color, creed, or nationality, but when I went to the mines around Springfield, except two or three, I could not get work, and it is the same way at other places throughout the United States.

Chairman WALSH. Do you have any objection to the union otherwise than on account of racial discrimination?

Mr. BROOKS. Yes, sir; I does.

Chairman WALSH. Why?

Mr. BROOKS. Where the union is organized at you get on an average of \$3 a week, and probably not earn that much. And where there is no union we have the privilege of working sometimes the year round.

Chairman WALSH. In what places do you find they only allow you to work three days a week?

Mr. BROOKS. In the East, Illinois and Oklahoma.

Chairman WALSH. How was that determined? Who determined for the union?

Mr. BROOKS. The conditions were such that the operators could not get the cars in, I guess, and they would not have cars to load the coal in; and because whenever we were working regularly we were called out a certain season of the year, and there we would lose from one to three months.

Chairman WALSH. You mean when you were on strike?

Mr. BROOKS. On suspension and not on strike.

Chairman WALSH. Suspended while agreements were being made?

Mr. BROOKS. Yes, sir.

Chairman WALSH. Have you any other objection to it?

Mr. BROOKS. The other objection is that it seemed to me there were a lot of us keeping up just a few, I mean keeping them in a good position and making them wealthy, and the rest of us go lacking; that is another objection I had to it. There were so many different ways you could get shed of your money, through the union, that I naturally didn't care to belong to it.

Chairman WALSH. How do your wages here compare with what you received in the other States in which you worked under union conditions?

Mr. BROOKS. They are better here.

Chairman WALSH. How much better?

Mr. BROOKS. For instance, we get from \$2.58 to \$2.78 for driving like we did in the East, and the least I ever got since I have been here in this State is \$3.08 up to \$3.10 or \$3.20.

Chairman WALSH. Is that the highest you have earned any place?

Mr. BROOKS. Three dollars and eight cents is the highest—is higher than I ever earned anywhere where there was the union.

Chairman WALSH. Have you earned higher wages any place for that work?

Mr. BROOKS. No.

Chairman WALSH. Are you satisfied with the conditions under which you are working now?

Mr. BROOKS. I am.

Chairman WALSH. What mine are you working in?

Mr. BROOKS. Hastings.

Chairman WALSH. Do you have checkweighmen there?

Mr. BROOKS. We had before he quit.

Chairman WALSH. Do you desire checkweighmen?

Mr. BROOKS. It is immaterial to me; I make about the same—get about the same weights, only you get less when there is a checkweighman there, because two or three hundred pounds are taken off of it to pay him.

Chairman WALSH. Has that been your experience that you get less where there is a checkweighman?

Mr. BROOKS. I always get that 200 less, but that is to pay the checkweighman?

Chairman WALSH. That is to make up his salary?

Mr. BROOKS. Yes, sir.

Chairman WALSH. You had no object in coming to Hastings except to get a job in the mines?

Mr. BROOKS. Just seeking employment.

Chairman WALSH. And you came here because you were not working and a strike was on here and you wanted work?

Mr. BROOKS. Yes, sir.

## 7132 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

Chairman WALSH. Did anybody outside ask you to come?

Mr. BROOKS. No, sir.

Chairman WALSH. Has anyone threatened you or intimidated you against coming?

Mr. BROOKS. Only when I came, there were some strikers on the train. I could not say they was intimidating me, but the fellow with me knew their language and he said that was what they meant, but they didn't bother us, because soldiers were on the train with us.

Chairman WALSH. Did any other man come with you?

Mr. BROOKS. Six or eight came from Trinidad over to the mine.

Chairman WALSH. You were employed at Trinidad?

Mr. BROOKS. No, sir. I came out to the mines. I tried at the mines at Trinidad—at the office at Trinidad—but the company would not send anyone out.

Chairman WALSH. Have you a memorandum with you as to your earnings in the mine?

Mr. BROOKS. I have not, but I have a very good idea.

Chairman WALSH. Just detail what you have been earning since you came here, four months ago.

Mr. BROOKS. There was two or three pay days when it was under \$60, and the rest of the pay days it has been from \$70 to \$80 or \$90, and pay day comes every two weeks, so I would average from \$150 to \$160 a month.

Chairman WALSH. Have you been working steadily?

Mr. BROOKS. Up to three weeks ago, ever since I was there.

Chairman WALSH. What occurred at that time?

Mr. BROOKS. Just slack work.

Chairman WALSH. That is all; thank you.

### TESTIMONY OF MR. JAMES KOKINAKAS

Chairman WALSH. What is your name?

Mr. KOKINAKAS. James Kokinakas.

Chairman WALSH. Where do you live?

Mr. KOKINAKAS. Frederick, south Colorado.

Chairman WALSH. How long have you lived there?

Mr. KOKINAKAS. About two and one-half months.

Chairman WALSH. You are a native of what country?

Mr. KOKINAKAS. I came here about six years ago.

Chairman WALSH. You are a native of what country?

Mr. KOKINAKAS. Greece.

Chairman WALSH. How long have you been in the country?

Mr. KOKINAKAS. Twenty years.

Chairman WALSH. Are you a coal miner?

Mr. KOKINAKAS. Yes.

Chairman WALSH. You are working now at Frederick?

Mr. KOKINAKAS. Yes.

Chairman WALSH. For the Colorado Fuel & Iron Co.?

Mr. KOKINAKAS. Yes.

Chairman WALSH. How long have you worked at Frederick?

Mr. KOKINAKAS. About two and one-half months.

Chairman WALSH. Where were you before you came to Frederick?

Mr. KOKINAKAS. I came about four months ago from south Colorado at Telluride.

Chairman WALSH. Have you worked as a miner in any other State than Colorado?

Mr. KOKINAKAS. Yes; in Utah three years.

Chairman WALSH. Any place else?

Mr. KOKINAKAS. I worked at the Vulcan mine, close to Colorado Springs.

Chairman WALSH. Do you understand what the miners' union is?

Mr. KOKINAKAS. I don't understand.

Chairman WALSH. Don't you understand or don't you know?

Mr. KOKINAKAS. I don't know.

Chairman WALSH. Can you understand my language, what I am saying to you?

Mr. KOKINAKAS. Yes.

Chairman WALSH. You say you do not know what a union is?

Mr. KOKINAKAS. Yes.  
Chairman WALSH. Did you ever hear what a union was organized for?

Mr. KOKINAKAS. Yes.

Chairman WALSH. What is it for?

Mr. KOKINAKAS. 1913.

Chairman WALSH. What—did you ever belong to a union?

Mr. KOKINAKAS. No.

Chairman WALSH. Do you know what I mean by the word union?

Mr. KOKINAKAS. Yes.

Chairman WALSH. Well, what is it? Can you describe what a union is?

Mr. KOKINAKAS. Yes.

Chairman WALSH. Well, what is it?

Mr. KOKINAKAS. It is a union.

Chairman WALSH. You have difficulty in expressing it; you have difficulty in explaining it?

Mr. KOKINAKAS. Yes.

Chairman WALSH. You know what it is, do you?

Mr. KOKINAKAS. Sure.

Chairman WALSH. You never belonged to a union?

Mr. KOKINAKAS. No.

Chairman WALSH. Do you know what a union is formed for?

Mr. KOKINAKAS. Yes.

Chairman WALSH. What is it for?

Mr. KOKINAKAS. 1913.

Chairman WALSH. What is a union organized for, if you know?

Mr. KOKINAKAS. No, sir.

Chairman WALSH. You do not know?

Mr. KOKINAKAS. No, sir.

Chairman WALSH. Do you belong to a union?

Mr. KOKINAKAS. No.

Chairman WALSH. Why not? Why don't you belong to the union?

Mr. KOKINAKAS. I don't belong to no union.

Chairman WALSH. Why not?

Mr. KOKINAKAS. I don't like it.

Chairman WALSH. What is it that you object to? Why don't you like the union?

Mr. KOKINAKAS. I work all the time in the strike.

Chairman WALSH. There was a strike on in Utah all the time?

Mr. KOKINAKAS. Yes.

Chairman WALSH. The whole three years?

Mr. KOKINAKAS. Yes, sir.

Chairman WALSH. The union was out on a strike all the time?

Mr. KOKINAKAS. Yes.

Chairman WALSH. Why do you work when the others are on a strike?

Mr. KOKINAKAS. I work at Telluride.

Chairman WALSH. Was there a strike on at Telluride during all the time you worked there?

Mr. KOKINAKAS. Yes.

Chairman WALSH. What pay did you get at Telluride?

Mr. KOKINAKAS. I worked as driver, \$3.50.

Chairman WALSH. What do you get down here?

Mr. KOKINAKAS. That is in the gold mines.

Chairman WALSH. What do you get down here when you work now?

Mr. KOKINAKAS. I quit work there.

Chairman WALSH. What were you getting when you quit?

Mr. KOKINAKAS. The place is too high and pretty cold.

Chairman WALSH. How did you happen to go down to Frederick?

Mr. KOKINAKAS. I came down from the Vulcan mine.

Chairman WALSH. Who hired you to go to Frederick?

Mr. KOKINAKAS. I got a brother down there.

Chairman WALSH. Does he belong to the union?

Mr. KOKINAKAS. No.

Chairman WALSH. Have you ever worked any place where there was not a strike going on?

Mr. KOKINAKAS. The first time in southern Colorado.

Chairman WALSH. I think that is all; thank you.



TESTIMONY OF MR. GRIGORIO GINIKIS.

Chairman WALSH. What is your name?

Mr. GINIKIS. Grigorio Ginikis.

Chairman WALSH. How old are you?

Mr. GINIKIS. Thirty-seven.

Chairman WALSH. Are you married or single?

Mr. GINIKIS. Married.

Chairman WALSH. Have you any children?

Mr. GINIKIS. Yes.

Chairman WALSH. How many?

Mr. GINIKIS. Five.

Chairman WALSH. Where do you live?

Mr. GINIKIS. Valdez.

Chairman WALSH. How long have you been in this country?

Mr. GINIKIS. Thirteen years.

Chairman WALSH. You are a native of what country?

Mr. GINIKIS. What?

Chairman WALSH. Where were you born?

Mr. GINIKIS. I don't understand but only a little bit.

Chairman WALSH. Are you an Italian?

Mr. GINIKIS. Yes.

Chairman WALSH. What part of Italy did you come from, the north or the south part of Italy?

Mr. GINIKIS. I don't understand—south.

Chairman WALSH. What city did you come from in Italy?

Mr. GINIKIS. The first time? There was no city where I came from, but a small town name S. Biagio Platonl.

Chairman WALSH. Yes.

Mr. GINIKIS. The tent colony.

Chairman WALSH. Before you left the old country, where did you live in Italy?

Mr. GINIKIS. That is my country.

Chairman WALSH. But where did you live in Italy, did you live near Naples?

Mr. GINIKIS. No.

Chairman WALSH. Are you a Sicilian?

Mr. GINIKIS. Yes.

Chairman WALSH. You understand that, do you?

Mr. GINIKIS. Yes.

Chairman WALSH. That is your country, you are a Sicilian?

Mr. GINIKIS. Yes.

Chairman WALSH. Did you ever belong to a union?

Mr. GINIKIS. No.

Chairman WALSH. Do you know what a union is?

Mr. GINIKIS. No.

Chairman WALSH. Do you know what unions are formed for? Do you know why they run?

Mr. GINIKIS. I don't understand; everyone talks to me and I don't understand.

Chairman WALSH. Do you understand the word union? Do you know what that is?

Mr. GINIKIS. I don't work in the union.

Chairman WALSH. You never did work in a union?

Mr. GINIKIS. No.

Chairman WALSH. When did you work in Pennsylvania?

Mr. GINIKIS. Three years.

Chairman WALSH. Didn't you belong to the union when you were in Pennsylvania?

Mr. GINIKIS. No.

Chairman WALSH. Whereabouts did you work in Pennsylvania?

Mr. GINIKIS. Pulling coke.

Chairman WALSH. At what place in Pennsylvania were you pulling coke?

Mr. GINIKIS. Greensburg.

Chairman WALSH. How long did you work there in Greensburg?

Mr. GINIKIS. Three and one-half years.

Chairman WALSH. How old are your children?

Mr. GINIKIS. Five. Them childs don't work at all because one is 8 years old and rest from 6 to 5 and 2 years.

Chairman WALSH. How much money do you make as a miner?

Mr. GINIKIS. I don't count it.

Chairman WALSH. Mr. Dower, will you ask Mr. West if there is an Italian interpreter we can get? I do not think the witness understands my questions. Are you an American citizen?

Mr. GINIKIS. No.

Chairman WALSH. Do you vote in this country? Have you ever voted?

Mr. GINIKIS. I don't understand.

Chairman WALSH. You do not know what voting is?

Mr. GINIKIS. No.

Chairman WALSH. How old were you when you came to this country.

Mr. GINIKIS. I don't know. I don't understand.

Chairman WALSH. Just stand aside, and wait here a minute.

#### TESTIMONY OF JUDGE JESSE G. NORTHCUTT.

Chairman WALSH. Your name, please.

Judge NORTHCUTT. Jesse G. Northcutt.

Chairman WALSH. What is your profession?

Judge NORTHCUTT. Attorney at law.

Chairman WALSH. Are you a member of the Colorado bar?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. How long have you been such?

Judge NORTHCUTT. About 25 years.

Chairman WALSH. Are you a native of this State?

Judge NORTHCUTT. No, sir.

Chairman WALSH. What State are you from?

Judge NORTHCUTT. Illinois.

Chairman WALSH. Did you practice law before you came to this State?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. At what point?

Judge NORTHCUTT. Kansas.

Chairman WALSH. At what place?

Judge NORTHCUTT. Morton County.

Chairman WALSH. What official positions have you held in Colorado?

Judge NORTHCUTT. Colorado?

Chairman WALSH. Yes, sir.

Judge NORTHCUTT. I believe I was city attorney of Trinidad for 1 year and presiding judge of the third judicial district for about 11 years, and a little over.

Chairman WALSH. Have you held any other positions?

Judge NORTHCUTT. No, sir; none that I think of.

Chairman WALSH. At the present time, Judge, are you connected with any of these coal companies?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. Which one, and in what capacity?

Judge NORTHCUTT. In regard to matters growing out of the strike, I represent the three coal companies.

Chairman WALSH. What are they?

Judge NORTHCUTT. The Colorado Fuel & Iron Co., the Victor-American Fuel Co., and the Rocky Mountain Fuel Co.

Chairman WALSH. How long have you been in the employ—

Judge NORTHCUTT (interrupting). I said all matters growing out of the strike. I think that was limited to the southern field.

Chairman WALSH. How long have you been employed by those companies?

Judge NORTHCUTT. Since about October, 1913.

Chairman WALSH. Are you employed by each company individually or were you employed by this committee I have heard spoken of here that has representatives in those three companies?

Judge NORTHCUTT. By the committee.

Chairman WALSH. Prior to that time you were practicing law where?

Judge NORTHCUTT. At Trinidad.

Chairman WALSH. How long had you been off of the bench at that time?

Judge NORTHCUTT. I resigned the 1st day of April, 1906.

Chairman WALSH. And at the time of your employment were you in private practice at Trinidad?

Judge NORTHCUTT. Yes, sir; and am yet.

Chairman WALSH. Are you also engaged in the publication of newspapers?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. What papers are you the owner of, or what relation do you bear to them?

Judge NORTHCUTT. I am president of the corporation, the Chronicle-News Publishing Co., which publishes the Chronicle-News, an evening paper, and the Trinidad Advertiser, a morning paper; and I own a majority of the stock in that corporation, practically all of it.

Chairman WALSH. Any other newspapers?

Judge NORTHCUTT. A weekly paper. Well, that same corporation publishes two other papers, for which it is paid a compensation, but has no interest whatever in the papers.

Chairman WALSH. Do you have anything to do with the editorial policy of the papers?

Judge NORTHCUTT. Not of the other two.

Chairman WALSH. Or of their financial policy?

Judge NORTHCUTT. No, sir.

Chairman WALSH. I take it, the first one you are practically the owner and editor of that paper?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. You dictate its editorial policy and manage its business?

Judge NORTHCUTT. Yes. I do not write the editorials, but if there is any change to be made I am consulted about it. Mr. Winsor is the editor of the paper.

Chairman WALSH. State what part you took as attorney for the operators as to the importation of arms down there, if any.

Judge NORTHCUTT. I don't know of any that I took.

Chairman WALSH. Did you have anything whatever to do with having arms shipped into the southern country for any of those four companies?

Judge NORTHCUTT. I think not, sir.

Chairman WALSH. Were any of them shipped through your newspaper office?

Judge NORTHCUTT. I think not. I think I know what you have in mind, and I will tell you all I know about it. There was an incident took place while I was absent. The first I ever knew or heard of it was during the congressional investigation. It was then testified to by a witness who used to work in the newspaper office that upon a certain occasion—I think it was toward the early part of October, 1913—a package of guns was brought to my office, or rather he testified that he saw them being carried out of my office across the hall and through the newspaper room downstairs. At the time this took place I was away; I was attending court over in Huerfano County. After the testimony of this witness I asked some of the boys, one of the clerks in my office, about it, and he said it was true, that upon one occasion a package of guns was brought to the office. When he found out what they were he began to make inquiries to ascertain whose they were and what was to be done with them. I think he called at the sheriff's office. Whether these guns were sent to the sheriff in my care I don't know; in fact, I don't know how it was that they were sent to my office. I never did learn and don't know to-day. At all events, they were shipped from my office to Ludlow, where the sheriff there had sent or was sending a number of deputy sheriffs to protect the railroad property at that point and likewise to protect the people who were going from Ludlow to the mining camps, or vice versa, from the camps to Ludlow.

Chairman WALSH. Who was the sheriff of Las Animas County?

Judge NORTHCUTT. James S. Grisham.

Chairman WALSH. Is he still the sheriff there?

Judge NORTHCUTT. He is and will be until the second Tuesday in January.

Chairman WALSH. What were the social and political conditions in the mining camps of Las Animas County preceding the strike, as to the form of elections and the carrying on of government in a democratic form? I am asking the question in that particular way because you have probably been over it before, and I would like to have you describe it in your own way.

Judge NORTHCUTT. You mean, generally speaking, what were the political conditions and privileges in the mining camps?

Chairman WALSH. Yes, sir; in that county.

Judge NORTHCUTT. I think they are very much the same as they are in any other place, particularly for the last two years. I may say that there has been a great deal of talk by people adversely interested about the political conditions down there; that is, the papers representing political parties adverse to the party in power in that county have said a great deal about political slavery and the denial of political rights, and so forth. It has been from time to time charged in contests which were filed that the people in that county did not vote their sentiments, that they were controlled by the corporations, that the corporations voted their men like slaves, and so forth. They have had ample opportunity to prove those charges.

I recall, in 1909 I think it was, in the legislature here there was a contest of the senator elected from that county in 1908, and they made these very charges.

Chairman WALSH. What was the senator's name?

Judge NORTHCUTT. Barela. He has been a senator from that county ever since it has been a county, or rather ever since we have been a State.

As I say, at that time the charges were very general, very sweeping, and permitted almost any kind of proof. A trial was had and a committee appointed out of this senate. That committee was of adverse political complexion to the party whose seat was being contested, so that it gave every possible opportunity, and the testimony elicited at that trial disclosed that the elections were absolutely fair.

Chairman WALSH. When was that contest?

Judge NORTHCUTT. That was the legislature which convened in 1909. They must have taken two or three weeks to take the testimony in that case.

Chairman WALSH. Prior to two years ago did the mining companies control the political situation down there?

Judge NORTHCUTT. I think not. I think probably I had better explain to you about what that situation was.

Chairman WALSH. Very good.

Judge NORTHCUTT. There was a great deal of criticism pro and con. It is true that there were local politicians in that county who claimed that they personally represented the political interests of the coal companies, and through such representations for a brief period wielded a power that they could not otherwise have wielded. They claimed that the companies did a great many things which I never discovered that they did do. I think it is likely that some of these subordinate officers—I don't know that they could be called officers, but were more in the nature of agents or employees of the companies, rather—condoned the circulation of the reports which were circulated, that these parties were the representatives of the companies politically. I do not think that the managing officers of the companies ever knew anything about it. They did not even know of the policies, or complaints, more properly speaking, which existed there until their attention was called to it in the year 1912. They had heard something of the complaints; and when it was called to the attention of Mr. Welborn I think he took some pretty drastic action in directing his superintendents and managing officers to be free from any inference of participation in politics. In 1912 he was very positive, and, as I recall, promulgated an order along there that there should be no political influence, and this order was published in the papers down there, and I think it had a good, wholesome effect in checkmating the efforts of those local politicians.

Understand, my contention has always been that the only matter complained of was the assumption of power upon the part of some of the local politicians who were seeking their own personal aggrandizement. I frankly confess that is what I complained of, and my complaints were open and notorious, and I complained as bitterly of men in my own party that did it as anyone else, and I think it was stopped.

Chairman WALSH. Is Huerfano County in the judicial district over which you presided?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. Is it true that the coroners' juries have been for years selected by the sheriff, and consisted largely of mine employees?

Judge NORTHCUTT. I don't know that that is true; yet it might have been true and I knew nothing of it, because I had nothing to do with any matter of that kind.

Chairman WALSH. Did you know it by general report?

Judge NORTHCUTT. No, sir; I never heard it until I heard some one say it here the other day.

Chairman WALSH. The district clerk read a record here of 90 cases of coroners' juries, dating back through the last 10 years, and stated that the records were very imperfect, and that he did not believe he had all of them, by any means, and that 89 out of 90 found that the deceased came to his death by reason of his own carelessness. Did you notice that?

Judge NORTHCUTT. I heard it when he read it; that is the first time I ever heard of it.

Chairman WALSH. Is it a fact that no plaintiff has recovered against any of the mining companies in Huerfano County in a personal-injury case for 23 years?

Judge NORTHCUTT. I don't know whether that is true or not. While I was on the bench for 11 years, I do not now recall any personal-injury case that was ever tried before me in that county. Here is one thing I do know that will probably throw some light on that subject: I believe we can say that a large majority of cases which are instituted against companies—or private concerns—for damages growing out of personal injuries are settled before they ever come to the trial docket.

Chairman WALSH. Do you have anything to do now, Judge, with that portion of the legal work of the company that has to do with the settlement of cases?

Judge NORTHCUTT. I represent one or two accident-insurance companies, and a clerk out of my office very frequently settled a case; or, if a damage suit is brought, I defend it.

Chairman WALSH. For these companies?

Judge NORTHCUTT. Yes, sir. I do not defend all of the damage suits of these companies which I am representing here now. I do one of them in the southern field.

Chairman WALSH. Did you see the list of 25, the last 25 cases furnished to the commission the other day, that were settled by the Colorado Fuel & Iron Co.?

Judge NORTHCUTT. I do not think I did; I do not recall it if I did.

Chairman WALSH. Do you know anything about the details of these settlements?

Judge NORTHCUTT. Not a thing.

Chairman WALSH. Do you say now that the control of the companies in the way you have mentioned by the subbosses or assistants has disappeared in Las Animas and Huerfano Counties since 1912?

Judge NORTHCUTT. I should say so. I do not say that they ever controlled. I have had a free pitch-in, and I think everyone else does who wants it.

Chairman WALSH. Is it a fact that up to 1912 this condition existed that is described in a speech testified about before this commission which you made at Lamar in 1912, in which you stated that a few men get together in a room some days before the convention—I will read it to you:

"Up there a few men get together in a room some days before the convention. They have already fixed up who the delegates to the convention shall be. They have probably given the local superintendent of the mines the number of delegates to which that community will be entitled. They do not tell him whom to bring. He knows he is to select a certain number of delegates who are to come in and follow the dictation of a single man, whose name is given to them before they leave. He goes around and picks out Jim Archuleta and some others, and says to them, 'I want you to go down to a convention to-morrow, down to Trinidad to a convention, and you see Mr. So-and-so and do as he tells you,' knowing that these delegates will come in and do as they are told—a meeting of four or five leaders is held and they proceed to make the slate: 'We will take for county clerk so-and-so; he is a good man for the purpose.' Some other man says, 'But still, I think probably sometime within the last 8 or 10 months he had some trouble with some pit boss,' and there is just a suspicion if the company likes him. He isn't right with the company and they don't want him; he goes off the slate. And so it is from bottom to top. The candidates are selected, not with a view to their fitness, not with a view to their ability to discharge their duty, not with a view to their integrity, but 'are they satisfactory to the company?' " Was that the way it was done before the attention of Mr. Welborn was called to it in 1912, Judge?

Judge NORTHCUTT. For a brief period of time, yes.

Chairman WALSH. Was it you that called his attention to it?

Judge NORTHCUTT. I do not recall that I talked with him on the subject.

Chairman WALSH. You made this speech at Lamar, did you?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. And that was true until 1912, until the fall of 1912?

Judge NORTHCUTT. It was true previous to that time; just how long I can not say.

Chairman WALSH. How long would you say that condition of affairs existed?

Judge NORTHCUTT. I should not like to guess at it.

Chairman WALSH. Was it for a number of years, or for a few years, or how long?

Judge NORTHCUTT. I would say a few years.

Chairman WALSH. Did it exist while you were judge down there?

Judge NORTHCUTT. No, sir; at least, if it did, I did not know it. I must say this to you, that while on the bench I took absolutely no part in politics. I did not even attend the primaries.

Chairman WALSH. Did they, while that state of affairs existed, control the judicial as well as the legislative branch of the Government, so far as that part of the country was concerned?

Judge NORTHCUTT. I don't think they ever controlled the judicial, and I don't know that they ever controlled the legislative branch.

Chairman WALSH. I read again from this speech of yours:

"And so it is from bottom to top, the candidates are selected, not with a view to their fitness, not with a view to their ability to discharge their duty, not with a view to their integrity, but 'Are they satisfactory to the company.' If they are, that settles it. And they have a majority of your conventions, and when they come to select delegates they select them in the same way. They send them in there to nominate, regardless of your wishes, for the office of district judge or State senator, the man whom the companies want, and if you don't like it you will have to take it."

Is that correct?

Judge NORTHCUTT. It was correct at that time or I would not have said it.

Chairman WALSH. They controlled the judges and the election of State senator, and if the people did not like it they had to take it anyway?

Judge NORTHCUTT. I did not say they controlled the judges; I said they controlled the nomination of the judges.

Chairman WALSH. When reading, "They send them in there to nominate, regardless of your wishes, for the office of district judge or State senator the man whom the companies want." Now, was there also a species of terrorism at that time in that community exercised over professional men and others who might go against the expressed will of the mining companies? I had better read you that. You are quoted further as saying:

"You have got a case, and we will go into it for you, and we will recover for you if we have to fight it to the court of last resort in the land"—

That is referring to some candidate—

"Most of the lawyers are afraid to do that because they are afraid the company will blacklist them and be against them politically and every other way."

Judge NORTHCUTT. I said the lawyers were afraid of them, but that does not necessarily follow that the companies caused it. I have no doubt but what a great many of the lawyers down there were and I don't know but what they are yet, unfortunately. We often find lawyers who have not the courage of their convictions, and I apprehend you have observed them in your own town.

Chairman WALSH. You are quoted as saying: "Most of the lawyers are afraid to do that."

Judge NORTHCUTT. I think that was correct.

Chairman WALSH. That most of the lawyers are afraid to go into a court and demand justice for an injured man for fear that they would be blacklisted?

Judge NORTHCUTT. That was the fault of the lawyer and not of the company.

Chairman WALSH. The lawyer, you think, was mistaken about that and his fears were unfounded?

Judge NORTHCUTT. I sued them years ago.

Chairman WALSH. On 11 different personal injury cases in that county?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. How long ago.

Judge NORTHCUTT. Let me see, I think that suit was instituted—those suits rather, or actions at law properly speaking—some time in the year 1911.

Chairman WALSH. Now, you made that speech in the fall of 1912, did you, in the campaign?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. Were you connected with the companies at that time?

Judge NORTHCUTT. No, sir.

Chairman WALSH. And that was true up until the time you said it at least?

Judge NORTHCUTT. Undoubtedly.

Chairman WALSH. Now, then, there was no election until 1914, was there?

Judge NORTHCUTT. Yes; there was an election that year, in 1912.

Chairman WALSH. That was a campaign speech in the campaign of 1912, but that was going on at that time, that they were exercising that sort of domination or attempting to?

Judge NORTHCUTT. I don't know that they were at that time. We got a very square deal at that time and elected our man at that election.

Chairman WALSH. Then there has been only one election since?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. You have observed the results of that election, have you?

Judge NORTHCUTT. Yes, sir; in a cursory way.

Chairman WALSH. Now, some precincts down there—as I understand it, whole precincts were inclosed during this election with a barbed wire fence, and they had what they called "closed precincts"?

Judge NORTHCUTT. I can not now recall any precincts which was inclosed by a barbed wire fence in Las Animas County. I do not say it is not true because I don't know. I do know that there is one precinct, or one mine up in a canyon, and across the mouth of the canyon—in the mouth of the canyon or across the canyon just below the mine, there is a fence and that comes more nearly to being inclosed than any other I know of. I don't know of any in Huerfano County. I have been at some of those mines but not all.

Chairman WALSH. Have you observed how the citizens of those closed camps vote in a general way?

Judge NORTHCUTT. I have observed how they vote by looking at the returns.

Chairman WALSH. Have you observed in the last election that the vote in those camps was overwhelmingly one way?

Judge NORTHCUTT. Yes; and it is a most natural thing that it should be.

Chairman WALSH. You may make any explanation you want to.

Judge NORTHCUTT. On that subject of closed camps, about which there has been so much said, I wish to make this observation, that many of the mining camps are built where there was nothing until the mine was opened; there was no settlement in that immediate neighborhood and probably not for miles around. There might likely be here and there a ranchman living far apart, or ranchmen living far apart, but when the mine was opened by driving a tunnel or sinking a shaft, and it was brought up to the point of operation and many men were employed, a little village grew up and there were no interests there excepting the mining interests and everybody there had to be and was in some way connected with the operation of the mine or waiting on the people who were operating the mine. So that accounts for there being no one else at those places except the people interested in the mine, because there was nothing else to do.

Now, as to the vote this fall. You can understand very readily that there was one issue in the election last fall, and that was: Shall law and order prevail and men be permitted to pursue their daily avocations as they please, free and unhampered; or shall the State be handed over to the United Mine Workers of America and we be required to go to them if we want to follow a particular vocation? This is not buncombe, but it is the absolute truth. The men in those mining camps realized—they felt, whether it is true or not—they felt that the men in the tent colonies were their personal enemies and that if they got up into the mines there would be a fight and that they who were working in the mines would be driven out, if not killed. They also believed, whether it was true or not, that if a certain ticket were elected that it meant that they would be forced to either leave the mines or work with the men who had been trying to kill them. In other words, they were led to believe—I do not know by what process, but they undoubtedly believed it, from their own expressions—that it meant success of the union if the Democratic ticket were elected, but that if the Republican ticket were elected the strike would stop and they would be permitted to pursue their avocation as they pleased; and that is the reason, in my judgment, why—and I think a great many of the miners will tell you that is the reason why they voted the Republican ticket.

Chairman WALSH. Now, previous to this election what was your observation? Was it or was it not that the mining camps practically voted solidly for the same candidate?

Judge NORTHCUTT. Not on all occasions.

Chairman WALSH. Was that usually the case?

Judge NORTHCUTT. I do not know that I would say usually. This must be borne in mind that men working at a particular vocation, where they are under one supervision, as a rule prefer to vote for what they believe to be their employers' interest. I think that is a general proposition.

Chairman WALSH. That the men usually vote for what they believe to be their employers' interest?

Judge NORTHCUTT. Yes; because they believe that to be their own interest, and I think that is correct.

Chairman WALSH. That is, they believe there is an identity of interest between themselves and their employer. Do you think that is correct?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. And you think that accounts for the fact that they have voted solidly in some instances in the mining camps heretofore, and that that is the reason they voted solidly this time.

Judge NORTHCUTT. That is not the sole reason, perhaps. It is not the reason this time—they were figuring strictly on themselves.

Chairman WALSH. You think they voted strictly in their own interests?

Judge NORTHCUTT. Yes, sir; for the success of the Democratic ticket meant this time that they would be out of work and the striking miners would go back.

Chairman WALSH. And they would lose their places?

Judge NORTHCUTT. Yes. I think as a rule men that are working for another, if they are on good relations and the terms of their employment are pleasant, desire to please their boss; and if they know how he is going to vote, as a rule, they will vote that way. Some are different and have politics of their own and vote of their own volition.

I want to call your attention to the election of 1912, as speaking of their all voting one way. Take the camps of Hastings and Delagua, they were pretty much split up. There was not a straight ticket voted, apparently, for anyone. On the district judge in one of those camps they were divided equally, as I recall, 88 to 88; there was only a small majority for the Republican district judge. Both of those camps have a presidential elector and, I think, gave a pretty nearly solid vote for Mr. Osgood, who was at that time a candidate for presidential elector.

Chairman WALSH. Mr. John C. Osgood?

Judge NORTHCUTT. Yes; indicating there was no very bitter feeling existing between his men and him, as many parties testifying here would have this commission believe.

Chairman WALSH. You do not believe, as a rule, that in the last election or in the elections prior thereto any operator was—or that influence was exercised upon the men to have them vote their way?

Judge NORTHCUTT. I never have known it.

Chairman WALSH. You had at this time submitted certain proposed amendments to the constitution of the State, I think?

Judge NORTHCUTT. Yes.

Chairman WALSH. And certain laws that were referred to a vote of the people?

Judge NORTHCUTT. Yes.

Chairman WALSH. One of them was known, I believe, as section 11 and was described upon the ballot—see if I can quote it right from memory—to relieve employees of the burden of assuming the risk of injuries to their persons and lives. Do you recall that?

Judge NORTHCUTT. That is substantially—

Chairman WALSH. That is substantially the way it appeared upon the ballot?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. Did you notice that in, I think Hastings, I will not be sure, that the vote showed that 100 of these employees voted to assume that risk themselves, or place it upon their families in case of death, while something like six or seven voted the other way?

Judge NORTHCUTT. I had not noticed that, but I am not at all surprised, and my view of it is this:

A good many of the people have not sufficiently studied into that subject to understand just how to vote on those referred or initiated bills. They are not really certain whether "yes" means that the bill carried, or "no" would mean that it would carry. But this year in particular we had a great many initiated bills and referred bills; and a great many people advocated the nega-



tive vote on all of them. Some of the campaign speakers in their speeches advised the people to vote "no" on all these amendments. Other parties, interested in a particular measure, would advise everybody to vote in the affirmative on that measure, and "no" on everything else. I recall a great many people who were supporting the amendment on what was familiarly known as the "wet and dry" proposition who advised their friends to vote "yes" on number 2—I think that was the number of it—and "no" on everything else. So through that county in particular I think the votes were very largely negative on all those amendments. I have not examined it myself and don't know, but the chances are you will find it so—I will venture the assertion you will find the negative vote or every amendment in that precinct to which you have alluded was very large; and it is very possible that these men did not particularly understand the nature of the resolution on which they were voting. Likely no one had explained it to them.

Chairman WALSH. Did you pay any attention to the situation so far as the swearing in of deputies was concerned prior to the time you were employed by these companies in October?

Judge NORTHCUTT. Not particularly. I had no occasion to.

Chairman WALSH. Do you know now how many deputy sheriffs were sworn in in Las Animas County?

Judge NORTHCUTT. I do not; but on that subject I wish to make an observation.

Chairman WALSH. Very good.

Judge NORTHCUTT. The sheriff has talked to me about it. He did even previous to this strike. In that county I think there are about 50 precincts. I am not certain of the number, but that is not far from right. There are usually from one to three deputies in each precinct, and one, perhaps, moves out, or for other reasons another is appointed to take his place, and they are then reappointed when their year expires—the time for which they were appointed expires. Or if they have any special work to do, they are appointed for that. These things combined account largely for the apparent excess of deputies or large number of deputies in that county. Then often these deputyships are given out as a badge of confidence or respect, the party not expecting to do anything for it, but wishing to carry the deputyship as a compliment.

Then, again, just previous to the strike in each of those counties a great many people who lived in the valleys up the rivers, fearing the consequences of the turbulence which would follow the calling of the strike, asked for deputy's commissions to be enabled to carry guns for their own protection. They did not want to be in daily violation of the law, but wanted to carry the gun just the same, and would get a deputy's commission for that purpose. Why, I know of this, one of those sheriffs, I don't know which, I rather think it was the sheriff of Huerfano County, spoke to me on the subject one day and wanted to know what his liability would be with parties of that character, and I told him what I thought his liability might be, and suggested that we had a statute which permitted the mayors of cities or sheriffs of the counties to grant permission to persons, in their discretion, to carry, concealed on their person, firearms. After this was explained, I gave him a form of appointment which he had printed; and I think the sheriff of each of those counties thereafter used a great many of them, which stopped the necessity of appointing deputies for that purpose.

While on that subject some one testified here a few days ago that the sheriff of Las Animas County—and likely he applied this to both—was in the habit of signing deputy sheriff's commissions in blank and placing them in the hands of the mine operators to be used as they saw fit. The sheriff of Las Animas County tells me that that is not true, that he never did that; and he called my attention to the fact that many of the commissions which he had issued had been just as I have stated, for the purpose of letting the parties carry guns, and some of them complimentary.

Chairman WALSH. Do you know of any instance where the sheriff of your county appointed deputies and sent them to the mines, there to be detailed under orders of the superintendent of the mine?

Judge NORTHCUTT. I don't know of any such an instance, but I would see no impropriety in it.

Chairman WALSH. Well, I am just asking you regarding it.

Judge NORTHCUTT. Possibly.

Chairman WALSH. I am not characterizing it, but simply asking as to the fact.

Judge NORTHUTT. May possibly have been done, but I don't know of it.

Chairman WALSH. Do you know anything about bringing arms into the district for the coal operators except the one instance to which you have already testified, where you heard afterwards they came through your newspaper office?

Judge NORTHUTT. No. All I know about it was what I have heard testified from time to time.

Chairman WALSH. Now, Mr. Northcutt, we intended to call Mr. Brown, who was on this committee, and he sent word that those matters that he would desire to testify about he would prefer just to have you testify about. So I suppose you have talked to him, and if there is anything that you think would enlighten the commission that you would like to submit I wish you would submit it in your own way. You see the trend of the examination and you know what that would be germane to our investigation.

Judge NORTHUTT. Unfortunately I have not talked to him and do not know just what he would want to say, but if any of the commissioners know what they want to ask me and will let me know I will testify to it if I know it.

Chairman WALSH. With what company is Mr. Brown connected?

Judge NORTHUTT. Rocky Mountain Fuel Co.

Chairman WALSH. And where is its general office?

Judge NORTHUTT. Denver.

Chairman WALSH. Where are its mines located?

Judge NORTHUTT. It has a number of mines in the northern part of the State. It bought out some years ago the Northern Coal & Coke Co. It has mines in Boulder County and possibly somewhere—

Chairman WALSH (interrupting). Do you know what the capitalization is?

Judge NORTHUTT. I had not finished. It has some mines also in the southern field, and I think has a mine in Garfield County and one or two in Huerfano County, and at least two in Las Animas County. I do not recall its capitalization, but that will be furnished you if you wish for it.

Chairman WALSH. Do you know what its bonded indebtedness is?

Judge NORTHUTT. I do not know.

Chairman WALSH. Please furnish me the capitalization and indebtedness of the Rocky Mountain Fuel Co.

Judge NORTHUTT. That will be done. I will make a note of it—the bonded indebtedness and the capitalization.

(See Northcutt exhibit.)

Chairman WALSH. How many mines does that company operate?

Judge NORTHUTT. Well, I could not state without counting them up; quite a number.

Chairman WALSH. About how many?

Judge NORTHUTT. Oh, I should say—It must be in the neighborhood of 10 or 12. Understand, that is purely a guess, and I do not want to be bound by it.

Chairman WALSH. What is the size of the company and the production of the company compared with that of the Victor-American and that of the Colorado Fuel & Iron Co.?

Judge NORTHUTT. I don't know, but that can be furnished. In fact, I think that is already in evidence in the congressional investigation.

Chairman WALSH. Do you know the number of miners in the employ of the Rocky Mountain Fuel Co.?

Judge NORTHUTT. I do not. That is likewise to be found there. It has all been testified to.

Chairman WALSH. Gen. Chase, when he was on the witness stand the other day, stated that you had called him up a great number of times and proffered advice with reference to his action in the field. Is that correct?

Judge NORTHUTT. No, sir. I appreciate your calling my attention to that. I regret that the circumstances require me to differ from Gen. Chase on that proposition. It is all the more regrettable by reason of the fact that he knows the statement is not true, and his departure from the facts is deliberate.

I had three very brief interviews with Gen. Chase. The first was the morning he arrived at Trinidad. I do not now recall the object of the visit. On my part it was largely a matter of courtesy. Mr. Weltzel was with me; he had some maps or something to give him. The second visit was that night, the first night in Trinidad, in which I went in company with W. J. Murray and George T. Pirt to inform him of the terror-stricken condition that had been reported from Aguilar, with a request to send a detachment of troops there. He declined to do so. The interview was very brief.

The next night, which was his second night there, I visited him in company with Mr. Weltzel, Mr. Murray, Mr. Pirt, and Senator Hayden. He had called for the first three parties mentioned, as I understood, to advise them of his program or policy which he intended to pursue. They requested me and Senator Hayden to go along. Senator Hayden was cooperating with me as one of the attorneys in the southern field—under the same employment. We went along, and Gen. Chase explained to us when we came in that it was his intention to go the next morning up into Berwind and Delagua Canyons and disarm the deputy sheriffs and guards and send them down the canyon. That, as I recall, was substantially his language; that from there he was going to some other place—I think up the river—and disarm the guards and deputy sheriffs and send them down the river; that following that—which would be Friday morning, I believe, likely later—he was going to the Ludlow tent colony and disarm the strikers. After he had stated his plan, he said, "I hope it is satisfactory." I said to him it was not satisfactory and gave him my reasons why I did not think it was; and I do not assume that it would be enlightening to the committee to indulge further in that conversation. Suffice it to say that the general and I differed in these interviews on every proposition that arose. Finding him pettish and whimsical, I mentally concluded to have nothing more to do with him, and I did not have anything more to do with him, and I do not expect to.

Chairman WALSH. So you had only three interviews with him altogether?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. And those you have detailed?

Judge NORTHCUTT. Yes.

Chairman WALSH. And you did not, then, of course, keep persistently after him with suggestions as to how to run—

Judge NORTHCUTT (interrupting). No, sir; and he knows I did not.

Chairman WALSH. Do you know Mr. Albert C. Felts of the Baldwin-Felts Detective Agency?

Judge NORTHCUTT. Yes.

Chairman WALSH. Did you have any conversations with him while he was down there?

Judge NORTHCUTT. I dare say I did.

Chairman WALSH. Did you give him any instructions as to how he was to proceed?

Judge NORTHCUTT. I don't know as to instructions. Probably advised—certainly advised with him from time to time.

Chairman WALSH. Did he have an office in Trinidad?

Judge NORTHCUTT. I don't think so.

Chairman WALSH. Do you know anything about his employment of detectives or officers or employees to do guard duty in the field?

Judge NORTHCUTT. I do not. But let me observe that Mr. Felts has testified very extensively upon that subject. His testimony will be found in part one, I think it is, of the congressional committee record. It is there and I don't now recall that his testimony is disputed on a single item by anyone who was in a position to have any personal knowledge of the facts about which he testified.

Chairman WALSH. Well, do you have any personal knowledge of the facts about which Mr. Felts testified, Judge?

Judge NORTHCUTT. I might have on some of them.

Chairman WALSH. Well, do you know what means, if any, he took to know the character of the men he employed as guards?

Judge NORTHCUTT. Only from what he has said; no personal knowledge. I don't think he employed men as guards, Mr. Chairman.

Chairman WALSH. Well, what did he employ them for? To do what?

Judge NORTHCUTT. I think he had a few of his own men there in a supervisory capacity to look after the interests of the company. My recollection is that he had only about six or seven of his own men in the southern field, though I do not want to be positive about that. The record will show.

Chairman WALSH. Was martial law declared in that district at any time, or proclamation made by the governor or legislature to the effect that there was insurrection existing in the south Colorado field?

Judge NORTHCUTT. I don't recall any proclamation. I have read the governor's order calling out the troops, but it has been a good while ago, and I do not recall the exact language of it. I do not believe that he expressly declared martial law; but it is quite probable that the order recites that it was made to

appear to him that an insurrection or a riotous condition existed. However, the order will speak for itself; I presume you have it in evidence.

Chairman WALSH. Did you attend the hearings at any time of the military commission presided over by Maj. Boughton?

Judge NORTHCUTT. No, sir.

Chairman WALSH. You were never present?

Judge NORTHCUTT. Not that I recall.

Chairman WALSH. Did you observe that the militia, after that commission was organized, used an automobile belonging to the Colorado Fuel & Iron Co., in which to arrest striking miners and other persons that they claimed were impeding the militia?

Judge NORTHCUTT. Well, I don't know that I made any observation on that subject. I don't think it is disputed that they used the automobile belonging to the company, but I do not believe the purpose which you have attributed to it in your question was ever admitted.

Chairman WALSH. What purpose was that?

Judge NORTHCUTT. The purpose of arresting striking miners.

Chairman WALSH. Well, I do not say for the sole purpose; but Maj. Boughton said that the men that were arrested were brought before the commission, as I remember it, in this automobile; that they had some distance to go out in the various places where they were arrested, and they were hauled in in this machine. That is the only place I got it, Judge.

Judge NORTHCUTT. I didn't understand—maybe that is correct, but I didn't understand him to say people who were arrested. I understood him to be referring to persons he would send for from whom he was seeking information.

Chairman WALSH. Well, did he send soldiers for them—members of the militia?

Judge NORTHCUTT. That may be.

Chairman WALSH. And were they some of the people that were detained from, say, 30 to 55 days?

Judge NORTHCUTT. It is possible. You understand, of course, I was not on very intimate relations with the militia.

Chairman WALSH. I know; but do you draw a distinction between the arresting of a person and what took place there?

Judge NORTHCUTT. I don't know that I do. And I don't regard the bringing in of a person to interrogate him as necessarily an arrest.

Chairman WALSH. Well, suppose the person was detained for, say, 55 days?

Judge NORTHCUTT. I think where they put a person in jail, it is undoubtedly equivalent to an arrest.

Chairman WALSH. Did you hear that discussed in Trinidad—the fact that they were so brought in to the military commission?

Judge NORTHCUTT. I might have heard it. I understood they were bringing in everybody who could give them information, which I thought was a very proper thing to do.

Chairman WALSH. Well, was the fact that they were being brought in by soldiers in the automobile of the mining company a source of irritation to the men out on strike?

Judge NORTHCUTT. I don't know that I ever heard it discussed.

Chairman WALSH. Was the Colorado Fuel & Iron Co.'s automobile trucks used to haul supplies for the militia while they were in the field?

Judge NORTHCUTT. Their trucks?

Chairman WALSH. Yes, sir; automobile trucks.

Judge NORTHCUTT. Why, if they were, I don't know anything about it. I think it is quite likely that the Colorado Supply Co. sold provisions to the troops, as did every other concern of any standing in the town.

Chairman WALSH. Did you have anything to do with the publication of the bulletins and their publicity work of the mine operators' association?

Judge NORTHCUTT. No, sir.

Chairman WALSH. Did you appear before the grand jury of Las Animas County that made the findings with regard to the alleged violence and crimes committed on the members of the union mine workers?

Judge NORTHCUTT. In what capacity?

Chairman WALSH. In any capacity?

Judge NORTHCUTT. I appeared there as a witness.

Chairman WALSH. Did you appear there in any other capacity?

Judge NORTHCUTT. No, sir.

Chairman WALSH. I notice in the bulletins issued that the findings of the grand jury with regard to the alleged violence and crimes committed by the members of the United Mine Workers of America down there—those findings, did you observe that?

Judge NORTHCUTT. No; I did not know it. I have read a great many of those bulletins, but not all of them.

Chairman WALSH. Is it a fact, as found by this grand jury, that the State laws governing mining operations in that county had been violated in many instances?

Judge NORTHCUTT. I don't know.

Chairman WALSH. Was there a practice of espionage—

Judge NORTHCUTT (interrupting). What grand jury report is that you speak of? The Federal grand jury?

Chairman WALSH. Yes; there was a Federal grand jury there, was there not?

Judge NORTHCUTT. Not in that county; and let me modify my statement, if you are speaking of the Federal grand jury. I never did appear before it in any capacity at all.

Chairman WALSH. Where did the Federal grand jury meet?

Judge NORTHCUTT. Pueblo. Now, there was a Las Animas County grand jury.

Chairman WALSH. I may have them confused in my mind.

Judge NORTHCUTT. I think you have, because I don't think our grand jury made any such report.

Chairman WALSH. Did you read the report of the Federal grand jury?

Judge NORTHCUTT. Part of it; possibly all of it at the time it came out.

Chairman WALSH. Is it a fact that the companies in that locality discouraged and opposed the formation of fraternal societies, or do you know anything about that?

Judge NORTHCUTT. Why, I know only what I have heard discussed here and on the witness stand during the congressional investigation and—

Chairman WALSH (interrupting). Do you know anything of your own personal knowledge?

Judge NORTHCUTT. And such investigations as I made by reason of those statements.

Chairman WALSH. What did you find about it?

Judge NORTHCUTT. Well, I found out this: The companies never have, as I understand, discouraged the formation of fraternal societies. I think they rather approve of it, because many of those societies carry a sort of benefit insurance with them which is a benefit to their members and enables them to take care of their members in times of distress. There was a society in either Hastings or Delagua that became disrupted on account of internal dissension, and upon one occasion they were quarreling about their disputes and issues and got into a fuss, and I am advised that the officers were called in to disperse them, and they did so; and it is upon that, as I am told—it was upon that occurrence that all this talk has been made about the companies discouraging the formation of fraternal societies.

Chairman WALSH. Were you aware prior to the time this strike was called off any violations of the mining laws on the part of the mining companies?

Judge NORTHCUTT. Indeed, there are none that I now recall.

Chairman WALSH. The eight-hour law?

Judge NORTHCUTT. Well, the eight-hour law as we now have it, I think, took effect only about October of last year. I think the companies adopted the eight-hour law before we really had what we regarded as a binding law requiring that. That is my understanding from what I heard here. There was no reason, as I am advised or informed of, no violations of the mining laws previous to the time of the strike.

Chairman WALSH. Were there any prosecutions brought in your court during the time you were judge for alleged violation of the mining laws of the State?

Judge NORTHCUTT. None that I know of.

Chairman WALSH. Did they observe the law providing that persons should not be discriminated against for joining labor unions?

Judge NORTHCUTT. So far as I know, they did.

Chairman WALSH. Have you ever heard that they did black list men?

Judge NORTHCUTT. I have heard that very frequently whenever there has been a strike on; then that is talked. I never heard it talked at any other time.

**Chairman WALSH.** You never heard it spoken of except at a time when there was a strike?

**Judge NORTHCUTT.** That was talked particularly at the time of the strike of 1904, and it has been talked at this time.

**Chairman WALSH.** Now, Judge, is there anything else that you would like to state that you think would be enlightening to the commission which you have not touched upon?

**Judge NORTHCUTT.** Yes, sir, your honor; there are a few matters I would like to allude to.

**Chairman WALSH.** Very well; and be as concise as you can.

**Judge NORTHCUTT.** I am going to be as concise as I can, and I realize that a great deal has been said here that can not in any way enlighten the committee. And some of it, I am forced to allude to, even though not very material, for the reason that it reflects upon the people of our community and State. And I am not going to read all these books that are here, nor even from all of them.

**Chairman WALSH.** I was going to say, in that connection, just state any authorities you have.

**Judge NORTHCUTT.** Your honor will be satisfied with any reference I make to these books. It will not be burdensome. There is one statute I want to read before I get through, and likely a sentence from another of these books, and the others are merely for the purpose of citation.

**Chairman WALSH.** Very well, proceed.

**Judge NORTHCUTT.** I am going to take the time and speak, in a cursory way and briefly, of the strikes in Colorado, because it has not been told exactly as I remember it, and this will involve the organization of the United Mine Workers of America, and what, in my judgment, constitutes the cause of the present strike and when it began, and so forth.

The United Mine Workers of America was organized in 1890. I mention that because it has been testified to here as 1893, and as an authority upon that subject I refer to the twelfth volume of Nelson's Encyclopedia, page 266.

Shortly after that organization was brought into existence, and I think it grew up out of the ashes of the Knights of Labor, strikes were started in some of the Eastern States and went from one to another, which I shall not relate.

In 1894 there was a strike on in either Ohio or Pennsylvania and the miners of Colorado went out on a strike in sympathy with those who were striking in the Eastern States. I so state it because the miners themselves told me that was the reason why they were striking. The sheriff of our county took me with him and went to visit the miners in Sopris, where they were talking of a strike, and said to them that if they would give him a statement of their grievances and the reasons why they were striking he would intercede in their behalf and endeavor to obtain some concessions from the companies; that if the companies did not grant the concessions he would not appoint any deputies to protect their property. If, on the other hand, they did grant the concessions, that they (the miners) must go to work.

They conferred upon the subject for some moments and finally came back to us and told us they had no grievance, but were striking in sympathy with their striking brethren in the East, mentioning where it was, and I don't just now recall where. We merely answered them that when the miners there settled their difficulties they would not know there was any strike in Colorado, or any miners here, and we thought they were very foolish and left them. That strike, I think, lasted about 60 days and the details of it have been given here substantially in accordance with my recollection, and I will take no further time with it.

Now, I have stated, and I reiterate, that the cause of the present strike is the effort of the United Mine Workers of America to organize the coal fields of Colorado, and I think that is given out or corroborated by their own declaration from their organization. At page 2766 of the congressional investigation is set out a constitution of this organization, and it gives, as one of its first reasons for its existence, the following:

"First. To unite in one organization, regardless of creed, color, or nationality, all workmen eligible for membership employed in and around the coal mines, coal washers, and coke ovens on the American Continent."

They have gone from State to State in pursuance of this declared purpose of their existence and have, by the methods adopted in this present strike, succeeded in incorporating within their organization practically all of the miners of the United States save and except a few in district No. 15, embracing the

States of Colorado, Utah, and New Mexico. What other territory they have in that district I do not recall.

In November, 1903, a strike was called in this State, which, with varying acts, was kept in continuance for about eight or nine months. I think it ended in June, 1904. By a letter which signifies the intention of this organization to renew its strike at the earliest possible date, and I call the attention of the commission to page 356 of a report on labor disturbances in Colorado, prepared and returned by Carroll D. Wright, Commissioner of Labor, and as found in No. 4763, Senate Documents III, of the Fifty-eighth Congress, made in 1905 or 1906. The citation refers to a letter written on the 2d day of June, 1904, and signed by John Mitchell, the then president of the order, L. I. Lewis, vice president, and W. B. Wilson, secretary and treasurer, who I understand is the same in identity as the person now occupying the position of Commissioner of Labor. This letter, by the way, is explaining to the miners the inability of the order to carry on the strike, and saying to them that they would have to withdraw the benefits for the future, and advising them to call a convention for the purpose in a formal manner of calling off the strike; and the letter concludes as follows:

"It is our sincere hope that all those who have participated in the struggle may be able to secure speedy employment; that they may retain their interest in the organization and prepare themselves for a more successful movement at the first favorable opportunity. It is not our intention to abandon the work of the organization in Colorado and Utah. We purpose to continue our efforts to gain the men of these fields. Very truly, yours," or "Fraternally."

That was in 1904. The only thing gained at that strike was a contract with some of the mine operators in the northern field, which was renewed in 1908 with some variation; and in 1910, on the failure to renew that contract, the strike was called in the northern fields of Colorado.

After that strike and during the year 1913, as I now recall, the subject of the conduct of that strike was before the national convention of the United Mine Workers; and in the month of July of that year a committee which had the subject under investigation reported to the national convention as follows:

"Your committee further recommends that this board inlorse the management of the strike in northern Colorado and reaffirm our indorsement of said strike and pledge our continued financial support in the future and authorize the international resident officers, if in their judgment it becomes necessary for the success of the strike in northern Colorado, that they be empowered and are authorized to call out on strike any part or all of the district. The matter of outlining policies to govern the future is to be left to the discretion of the resident international officials."

This, as I say, was on the 24th day of July, 1913. I should have observed in its chronological order that some of the executive board of the mine workers were sent into this field during the summer of 1912, and at that time they determined to call this strike in Colorado for that fall, and it would have been called that fall had they not been called back to West Virginia on account of the sudden uprising at that time and at that place, which they did not expect.

It was during the fall of 1912 that Mr. Lawson, who was then an executive member or a member of the executive committee of the Democratic Party which was in a campaign, told Gov. Ammons, as he has here testified, that they intended to call the strike—he didn't know just how long it would be.

Now, following this evidence comes this report of July 24, which I have just read to you, and following that, and on August 22, 1913, there was published this notice in the International Mine Workers' Journal, or whatever they call that paper, it is their official paper—and this is found on page 14 of the operators' brief—well, strike out that reference, if you please. It is in the Congressional Record, pages 292 and 293 [reading]:

"BROTHERS: During the past year we have conducted a most aggressive organizing campaign in practically every nonunion coal field on the American Continent. In all this work we have met with a large measure of success.

"Our accomplishments in West Virginia alone exceed the expectations of the most enthusiastic among our membership. We are conducting strikes in Colorado, Vancouver Island, and elsewhere, all of which are very important. We contemplate a continued campaign in West Virginia and southern Colorado, as well as in other nonunion sections.

"In order to provide funds for carrying on this campaign we are levying an assessment of 50 cents per member for two months, during September and October. Therefore, in accordance with our laws, you are hereby officially noti-

fied that an assessment of 50 cents per member per month is levied upon each and all members of our international union for two months, beginning September 1, 1913. If each and every member will respond promptly and cheerfully, you will increasingly help bring about success in establishing the organization everywhere.

"Please send all money to William Green, international secretary-treasurer, 1101-1106 State Life Building, Indianapolis, Ind.

"Fraternally, yours."

And this is signed by John P. White, Frank J. Hayes, and William Green, with their respective titles following the names. That is dated August 22, 1913.

I draw attention to these matters because it has been so repeatedly stated here that this strike was called by a convention of miners which convened down in Trinidad on the 15th or 16th of September, 1913. These documents which I have read, as well as the preparations which I will hereafter allude to, disclose beyond the peradventure of a doubt that the matter of calling the strike in the southern field was determined upon and all preparations made for it upon the part of the national officers before ever the convention in the southern Colorado field was called.

Not only did they send out their notices of assessment, but previous to the calling of this strike they ordered their tents from West Virginia out into the Colorado field. They bought additional tents; they bought arms and ammunition, as shown by their admission in the testimony before the congressional committee, and as was known in the city of Trinidad and talked of on the streets as early as the latter part of August and early part of the month of September, it being frequently stated that the miners were buying all the guns and have bought all the guns in town, hardware stores being stripped of them.

These tents—these tent colonies were located by them. That is to say, the places were all picked out and designated before ever the strike was called, and immediately upon the calling thereof they began to establish them; and it will be noticed on examining the map that these tent colonies were all located with a view to their strategical strength in controlling some mine or mines. To illustrate, and having reference to our own county, which is a fair illustration, the tent colony at Rugby controls the view, it controls the road, it controls the means of ingress and egress to and from the mines around that town, like Rugby mine No. 1 and Rugby mine No. 2 and the Primrose mine and others near there, and the Jewel mine as well. The Aguilar or Lynn colony is located at the mouth of the canyon in which are located the Peerless and other mines. The Ludlow tent colony, located at the station of Ludlow, where the people take or leave the trains, doing business with the mines in Berwind and Delagua Canyons, such as the Tabasco, Huerfano Coal Co. mines, Berwind, and so forth, controlling some six or eight mines, and the Tolberg, I forgot to mention. Now, the purpose of locating these tent colonies in these strategical positions is clear to any rational mind. They were located there for picket purposes, for the purpose through force perhaps and remonstrance—forcible remonstrance, as we may say, as their acts subsequently disclose—to prevent any parties going up into any of these mines to go to work. Hence I say it is an insult to the intelligence of anyone who watched this thing from its inception to contend that this strike was called by a convention of miners held in Trinidad, Colo., on the 15th of September or at any other time. It was called by the officers of this organization, and it was called for the purpose of grafting into their organization the miners of Colorado, and I am surprised that they deny it.

While on the strike subject I want to direct the attention of the committee—this is a little digression, but I want to dispose of it now and not have to return to it any more—to certain documents, Volume III, for the Fifty-eighth Congress, being Subdocument 86 and Document 128, Volume V, which give a pretty succinct and complete history of the labor disturbances in Cripple Creek. I advert to that for this reason: Senator Patterson took considerable time to explain to this committee what a terrible condition of affairs obtained up there after the militia went into the field, and how they had overridden the courts and so forth. One of the documents to which I have referred the committee will disclose the causes leading up to the advent of the militia and shows that something over 20 people had been killed and numerous buildings dynamited and mines dynamited by the organization controlling in that field before the militia was brought into the field. The militia and the courts are severely criticized for what they did at that time in the way of arresting a man by the name of Moyer; and the opinion—the majority opinion of this court—is as-



sailed and the court is traduced for rendering the opinion. Maj. Boughton has very fully and very properly covered that subject, and has called attention to—

Chairman WALSH. I am also having Mr. Hersey brief that to the commission. Judge NORTHCUTT. Yes, sir. I refer to this case, because I want it understood that we have respect for and pride in our supreme court. We think it compares very favorably and ranks very well with the courts of last resort of the other States. Let me refer to one fact, that this opinion was approved and affirmed by an express reference thereto by the United States Supreme Court. We do not have to make any further apology for it.

Chairman WALSH. We have been furnished with the brief about that—

Judge NORTHCUTT. Well, I am through on that.

Now, I guess I will return to the subject of this strike. I feel that I ought to take up the subject of violence. I am not going to tell all about it by any means, but I am going to explain some matters which have been left, in my judgment, in an improper atmosphere.

It has been probably observed by the committee—if not it is a fact anyhow—that those representing the striking miners do not deny that they began the violence after the strike was inaugurated. The only justification they offer therefor is to call attention to what they construe to be the beginning of violence; and they invariably advert to what they call the killing of organizer Lipplatt. Now, the party still stands under indictment on the charge of the murder of Gerald Lipplatt, and ordinarily it would be very improper to make any statement of facts concerning a case which has been yet undisposed of, particularly involving a charge so serious in its nature, and I do not propose now to go any further than the showing made by the State's attorney in the coroner's inquest held over the body of Jerry Lipplatt; and I think it is fair to this committee, justice to the defendant and the State of Colorado that the facts thus ascertained be disclosed, that it may be seen that this was not a murder but a justifiable homicide.

The facts as disclosed at that inquest are, briefly, as follows:

A few days previous to the 16th of August, 1913, Gerald Lipplatt, an organizer of the United Mine Workers, came from the northern field down into southern Colorado. His purposes there can be established, but not having been established at this coroner's inquest, we pass it by. But on the night in question, shortly after dark, or about dusk I should say, Mr. Belk and Mr. Belcher, now deceased, in company with others, were walking down North Commercial Street toward Elm Street on the right-hand side of the street, going north. As they passed a vacant building near the corner of the intersection of Commercial and Elm, and near the headquarters of the United Mine Workers, Gerald Lipplatt stepped out from the recess or door of the vacant building right behind Belk, so closely behind him that it naturally attracted his attention, and he turned to speak to him, and as he turned he brushed him with his arm. Lipplatt at once threw his hand to his pocket, saying, "Be careful what you do." Mr. Belk returned with a similar expression, "Be careful what you do." There an altercation took place, which it is not necessary to repeat, but bad language was used on both sides. Some attention was attracted, and, finally, one of the men, I think Mr. Belcher, said to Mr. Belk, "Don't quarrel with him. It is attracting attention." Lipplatt departed with this remark: "You have got your crowd with you now but I will have mine pretty soon, and then we will settle this matter," or words to that effect. He then left him and went a few doors south on Commercial Street, and there told a party who appeared before the coroner's inquest what had taken place, and declared his intention of getting him or getting even with Mr. Belk, or words in substance that.

He then left the person to whom he was talking, crossed Commercial Street, went to the Packer Block, in which were then situated the United Mine Workers' offices, and went upstairs to the headquarters. Mr. Belk and Mr. Belcher remained on the curbing near where this altercation had taken place, where quite a little crowd of people had gathered listening to the Salvation Army, which was holding its exercises in front of the Coronado Hotel, a few feet above on Commercial Street. While they were standing there listening, and probably not more than at the outside 10 minutes after this altercation had taken place and closed, Lipplatt, with five other persons, came down out of the United Mine Workers' office, came diagonally across the street to where they stood. Lipplatt drew his six-shooter and placed it against Belk's breast and began to tell him what he was going to do. Whereupon Mr. Belcher struck

his pistol with his left hand and knocked it down, and as he knocked it down it was discharged and went through his leg about 6 inches above the knee. And at the same time, as he knocked it down, he jerked his pistol with his right hand and shot Mr. Lipplatt in the breast, who ran backwards still holding his pistol and apparently trying to discharge it, and was shot I think three times more, maybe oftener than that. I believe he was shot six times. And he ran backward to the middle of the street, where he fell and expired.

Those are the facts concerning the Lipplatt shooting as told by the persons who stood by him, came down out of the headquarters with him, and stood by him at the time the shooting took place. That is the first, as they claim, of the violence.

Now, this strike was inaugurated—and I am not going to go at length into these various acts of violence.

Chairman WALSH. I wish you would not, because we are not going to try to determine them all, you understand. We want to go into the larger and more general features of the situation rather than to go into these particular incidents, and yet it is very good to give the details of the Lipplatt one.

Judge NORTHCUTT. I can readily understand that that throws no light on the causes leading to this disturbance and will not aid this committee in its report to detail these acts of violence. I do feel, however, as to some of them that have been so grossly misrepresented, we should make an explanation to inform—

Chairman WALSH (interrupting). Yes; you might go into what might be called the highlights of them—

Judge NORTHCUTT. I am going to get through by time for adjourning.

Chairman WALSH. Well, we prefer you would give us a few minutes more—

Commissioner O'CONNELL. We might want to ask you some questions.

Judge NORTHCUTT. I am not going to take up the time that Mr. Doyle did, or Judge Lindsey in advertising himself, or many other witnesses who have testified here.

Now, upon the inauguration of the strike on the 23d day of September, 1913, violence began and it was almost daily. Within the week—eliminating now the killing of Lee, the assaults upon people began.

The Ludlow hack, I think, within a day or two was held up, and parties who were suspected of being connected with the mines who were going to work at the mines were taken out. It happened that an old gentleman, who has been up there for 30 years or more, a respected resident of Trinidad and Las Animas County, and who had been for years, and probably is yet, superintendent of the waterworks at Hastings, was going to his work on the hack, as was his wont. He, together with the superintendent of the railroad company, were taken out of the hack, made to walk back, and kept at the depot surrounded by a mob of people, indulging in the most unbecoming language until they had satisfied themselves they were not strike breakers, and then they let them go and then they walked up to the mines. This was of almost daily occurrence.

About that time two negroes came in on the train and were captured and taken off and held in the tent colony overnight, and told to wend their way and not to go to the mine. This was almost of daily occurrence, to search the trains at Ludlow and La Veta and Starkville; going through the trains the miners would ask if there were scabs, etc.

We come to October 7. I mention this because it is the initial day, I think, of the hostilities. On that morning Mother Jones and Mr. Lawson made a speech at the Ludlow tent colony, in which speech Mother Jones told the miners that they could expect guards to be out there to shoot up their tents; that if they had a spark of manhood they would go and protect their families; they would get their guns and go out and win this strike. This is the substance of the talk as related. I only related by reason of that which followed. On that very day assaults from that camp were numerous, and not on guards alone. A man by the name of Farish, I believe, who is owner of a livery stable in Hastings, the evidence shows, was coming down the road toward the tent colony with his father-in-law, mother-in-law, wife, and little child—by the way, in the narration of these particulars heretofore by the miners, it seems to me every possible effort had been made to say something of a blood-curdling nature into the record; every opportunity has been seized to do that. I do not approve of that sort of conduct, but I am permitted, by reason thereof, to suggest that in this automobile were ages from 18 months up to 35 years. This auto was attacked as it came down the road by strikers, who fired at it. The shots were

numerous but fortunately no one killed, though the auto was hit several times. On that same day a grocery man by the name of Sherman was coming down the road in the discharge of his regular duties. He was fired on. And likewise on that same day an auto coming out from Trinidad on its way to Hastings, having a clerk in a store and a machinist and one or two deputy sheriffs, was fired on. Quite a battle ensued; and as it returned from Hastings it was fired on again. They brought with them some guards from Hastings, anticipating they would be fired on as they returned. In this battle a man was wounded and a horse or two killed.

Now, adverting to this particular date on account of its being the first of the opening battles and by reason of the further fact that it has been carefully detailed on the witness stand before the congressional committee by numerous witnesses on the part of the operators and the parties who were there who were attacked, and this significant fact presents itself: That notwithstanding the fact that there were probably a thousand people in that tent colony on that date, the striking miners have never presented one single person to detail what took place. They have made the charge—persons who were not there have made the charge—that the guards started the shooting, but they never have presented the eyewitnesses, and I venture the suggestion that they never will.

The statement was made here that Mack Powell was killed by the guards, and the party making the statement referred to the testimony of Mrs. Mack Powell, found in the congressional record. If you will read further in that testimony, examine the testimony of the witness on cross-examination, she places the persons whom she supposed to be the guards at the overhead bridge, which everybody conversant with the fact knows to be the place occupied by the strikers at the time Powell was killed, while the guards were at the underground crossing, half a mile below the overhead bridge.

Powell was shot in the left side and arm. The strikers were on the left of him while the guards were in his rear, and had they shot him he would have been shot in the back.

No one conversant with the facts can with any degree of sincerity contend that the guards shot Mack Powell. They never have made any complaint against anyone; never have sought to have anyone prosecuted for it. I think some of the strikers have been indicted for the murder of Mack Powell. I could relate numerous assaults, of persons being beaten, etc., covering pretty nearly each day, but I am not going to do so.

Now, coming to the battle of the 24th, which is the Seventh Street riot, I am going to explain something of that, as it has been left in a beclouded condition before the committee and in a reflective condition against our guards.

I want to say before beginning it that what took place on that day and the days immediately following indicates that the war then opened in earnest and the strikers meant to make a finished job of it, in my judgment, and they either would have finished us or the guards would have finished them had the troops not come in, because it was a position of more than open hostility, a real war.

Now, Wahlmeir, on the 24th of October and for some time prior thereto, William Wahlmeir, I think his name is, was working in the Walsen mine, which is at the westerly end of Seventh Street. Going down, living in a house owned by a man by the name of Pisarski, on Seventh Street, about a quarter or a half a mile from the mine, the assaults and attacks of the miners became so numerous on his going to and from work that he stopped living at home and started to board at the mine, and, as heretofore related, on the night of the 23d of October a placard was placed on the door of Mrs. Wahlmeir notifying her to leave. You will remember the placard which was read here. She telephoned to the mine the next morning and the superintendent instructed some of his men to take the wagon—three wagons—and go and move the furniture down into the camp, and sent three guards—it was either three or four guards—with the wagon to protect them. They had some mission to perform at the Rio Grande depot, I think some trunks which had been improperly sent there, to move over to the C. & S. depot. The significance of this will occur.

Word was transmitted to the sheriff to send deputies to the Rio Grande depot to protect this wagon. That was done; some 10 or 15 were sent. They went there to the C. & S. depot, which is not far from the miners' tent colony in Walsenburg. While unloading the baggage there the miners began to gather around them and began to abuse them in the usual way. Some, I think, of the deputy sheriffs remonstrated with them and told them these men were attending

to their business, and to please let them alone. After they concluded their work there they started to Seventh Street, going down an avenue, the name of which I have forgotten, to Sixth Street, and then crossing over to Main, and from Main down to Seventh. All this distance the crowd which gathered at the depot—and which was augmented as they went along the street—followed, hooting and jeering and cursing and telling them that they would never get back to the mine alive. Many people heard this, and it came out on the witness stand. They followed them clear to Wahlmeir's house, where they began to load the furniture. The crowd which followed gathered around them, throwing rocks and pieces of coal and old tin cans and everything that they could get hold of.

The owner of the house ordered the deputies off of his premises. They went out of his yard and stood in the alley. But they kept throwing missiles until they could not complete the load. The drivers could not hold the mules. They got what they could and started away, the crowd continually increasing. They went out of the alley onto Isadora Street, and turned to Seventh, which is half a block, when the crowd started in a run down to that corner. Just about the time they got there a man from the crowd began firing with a six-shooter. Then it was—after several minutes of throwing rocks and coal and other missiles—when the shot came—in fact several of them—from the mob—that the deputies opened fire. Before they opened fire one of the deputies was shot through the ear, and it was about this time that they fired from the deputies and several men fell.

The case was tried within the last few weeks. Now, it has been suggested that 11 Mexicans were on that jury, and while on that subject we will dispose of the jury proposition. It is true there were 10 Mexicans—11 Mexicans.

When this jury was accepted the district attorney had about 30 or 40 peremptory challenges which he might have exercised. The jury was satisfactory to him and he accepted it.

When the case was concluded by the State he made the statement that we could make any motion or offer we wanted to and he would not resist it. We went ahead and put in our evidence. At the conclusion of the trial we did not argue the case, nor did he. The court instructed the jury, as is the rule here, before argument, and the instructions were concluded and handed to the jury; the case submitted without argument, and in about a couple of hours—I think it was about noon when submitted to the jury—the jury got their luncheon and came back to the courthouse and brought in a verdict of not guilty. I think the commission will agree that the facts stated disclose a clear case of justifiable homicide. It was the duty of these deputies to quell that riot, and if they could not do it except by taking life they had to do it. The law upon the subject is that it is not only right but the duty of the sheriff or deputies to quell the riot; and they may use such force as appears to them under all the circumstances, acting as reasonable men, to suppress riots—even to the taking of human life. And in this case they fired for a higher purpose, and that was to protect their own lives.

Now, some questions were asked as to the juries and the men being on the jury who could not speak the English language. For the vindication of the State and our laws I wish to direct the attention of the committee to the fact that the country in which these two counties are embraced was a part of the Republic of Mexico up to the Mexican War, and upon the solemnization of the treaty of Guadalupe-Hidalgo that country was ceded to the United States, and the treaty reserves unto the occupants of the territory thus ceded all the rights and privileges of American citizens; and as this country was settled up by the Americans, they were for many, many years grossly in the minority—I mean the Americans, American born. And when Colorado was admitted, or organized, rather, as a Territory in 1860 and the Territory divided up into counties in many of the southern counties there were practically no people except the Mexicans. This was particularly so in Las Animas, Huerfano, Costilla, Conejos, Rio Grande, Saguache, and other counties.

And when they desired to establish the courts and establish the jury system they had to take the material from jurors which they had. They could not have obtained English-speaking people enough for several years after Colorado was organized a Territory to do the jury service. So this statute was enacted; the section is 3668, Revised Statutes of 1908. I do not know how to get this into the record properly without reading. I want this committee to know it.

"All male inhabitants of this State of the age of 21 years who are citizens of the United States, or have declared their intention to become such citizens, and

who have not been convicted of a felony shall be competent to serve as grand and petit jurors in all the courts and judicial proceedings in this State."

This is particularly the part I wish to direct your attention to:

"No county commissioner, judge, or other State or county officer shall, in the selection of grand or petit jurors, or in the empaneling of petit jurors to try any cause, whether civil or criminal, discriminate against, reject, or challenge any person otherwise qualified on account of such person speaking the Spanish or Mexican language and not being able to understand the English language."

So you will observe that by statute these parties are qualified jurors.

I wish to say after about 25 years' experience with them that they are very, very good jurors. I was indeed much surprised on investigation to find the clearness and accuracy with which they remembered the testimony. It did not seem possible that parties could gather through an interpreter all of the facts and circumstances of a cause as related to them and as though it came first hand in the language of the person narrating it. And I recall particularly in a civil case at one time, which I thought was a rather intricate case, talking with the jurors after the cause was over, Mexican jurors, who could not understand any English, as to their reasons for returning the verdict that they did, and I was surprised to find them mentioning the names of various witnesses who testified, relate what they had testified and what their estimate of the credibility of the witnesses was and the weight of the testimony as given. So my mind was then disabused of any idea that we were not getting good jury service from those jurors.

I think it is the chairman who asked some question yesterday as to who appointed the interpreter, etc., and whether or not the accused had any voice in the appointing of the interpreter. The court, of course, appoints the interpreter, as he does his clerk, bailiff, etc.

Chairman WALSH. Is he a regular attaché of the court?

Judge NORTHCUTT. Yes, sir.

Chairman WALSH. The same one all the time?

Judge NORTHCUTT. Yes, sir; and he is usually appointed for his skill in each of the two languages, and the court usually tries to get a man of undoubted integrity. But if the interpreter wanted to be wrong in his interpretations, there are almost invariably numerous people in attendance upon the court who understand both languages; and if he should make an error he would be very quickly corrected in it. I have heard, through inadvertence, errors made, and some party immediately call attention to it. I do not think any prejudice has ever resulted through that particular matter. Besides, if a person, if the accused objects to the official interpreter and the objection seems well taken, the court for that particular case will appoint another interpreter, the official interpreter, of course, remaining to see that no imposition is inflicted upon the court.

On that subject of juries I think I ought to direct attention to the manner of selection of juries and the disqualification of the jurors.

In the congressional investigation, and it has been reiterated here, attention was directed to some person tried some years ago in which there were 11 Mexican jurors and 1 American, and some person prognosticated what the verdict would be before the case was tried.

On cross-examination of the party who testified to that it was disclosed that he did not know anything about the case, had no interest in the case, did not know any of the parties, and why the party had previously predicted the result of the verdict might have been that he knew the facts, and knowing that he would be certain of the verdict that ought to have followed that state of facts—nothing to that.

Now, as to the manner of getting the jury list in Huerfano County, our statute provides that for the purpose of obtaining juries the treasurer shall from time to time be requested to furnish to the board of county commissioners an alphabetical list of the names of taxpayers. The board of county commissioners select from this list, so furnished, in a county in the class of Huerfano, 300 names. They are written on slips of paper and deposited in a box. When a jury is to be called the clerk calls to his office the sheriff, and in the presence of the sheriff draws 24 names at random from this box.

Now, in Huerfano County, the number of taxpayers was figured up, calculated, and testified to in the congressional investigation. I do not now recall the number, after deductions, after examinations, age limit, etc., nonresidents, it left, as I recall, only about 1,100 persons subject to jury service. And when you took 300 names out, they were served and thrown back, it only takes about

three drawings to exhaust the list, so, of course, when you begin again you are going to get some of the same old list.

This is just a general charge they make about professional jurors, etc. And yet, I think, it is significant and ought to be to the committee, they have not pointed to a single case in which they have even charged a miscarriage of justice.

I believe they call attention to the case of People against Miller, in which they say Miller struck a union man and broke his jaw. And on the jury upon the trial of that case there were seven deputy sheriffs.

Now, the district attorney had the opportunity to interrogate these jurors on their voir dire, and if it appeared that one was a deputy sheriff or otherwise, so interested to be an unfair juror, he could have excused him. The record in that case shows that he did not exercise a single peremptory challenge. So I don't think their objections are well founded. Nor are their criticisms just.

The charge has been made here that the coal companies own them, have owned the district attorneys and the judges, etc.

The man who is now on the bench was elected in 1912, was for eight years prior thereto district attorney. Now, so far as controlling him by the coal companies, while he was district attorney every time he was nominated he was nominated over the objection of the coal companies. Many people do not know this, but I happen to know it. It is a fact. When he was elected judge he was elected over the objection of the coal companies. I say objection. I mean by that he was not satisfactory to them. The man who had been on the bench made a pretty fair record and he was satisfactory. And those who were handling the party down there wanted him. So it does not stand to reason that the man who has never received even the friendly political cooperation of the companies would be owned by those companies. And the present district attorney can not be said to be unfriendly to the strikers. We feel that he is entirely too friendly to them, though we charge not the slightest corruption or impropriety in his conduct.

And also they make the charge, while on that subject, that what is the use to exhaust the regular panel by your challenges and ask for other jurors? The sheriff will go out and bring in parties who are unfriendly. That charge is unfounded for this reason: Under our statutes any party to a litigation may by affidavit charge the prejudice of the sheriff and the court is required, the statute is mandatory to remove him, handing the process for that trial to the coroner, and if the coroner is disqualified then the court appoints an elisor, under the old practice.

Now, I think that is all I care to say relative to the courts and juries unless there is some question which some member of the commission desires to ask.

Going back now, not to lose much time on it, however, to the matter of violence and beginning were we digressed.

As previously stated, on the 24th riots occurred on Seventh Street in Walenburg.

On the 25th the fights started down at Ludlow, very much as detailed by Lieut. Linderfelt while on the stand. I think his narration of it is about the most exact that I have yet heard come from the witness stand. Without dwelling on this subject, let me observe that on the 25th, 26th, 27th, and 28th a distinct and separate battle occurred; on the 25th, 26th, and 28th at least one man was killed for each battle.

All of these disturbances were by phone and wire continually poured upon the governor. The governor did not respond in the way of calling out the troops until the end of the four days' battle, when he sent the troops. And as a justification for the advent of the troops into the field, and it is unanswerable, that while there had been continual disturbance, battle after battle, destruction of property by dynamite and burning, and many lives lost before the troops came in, after they came in, as I now recall, there was not a single loss of life attributable to the strike, until they were practically all taken out of the field. The people of Trinidad and Las Animas County could sleep in peace after the troops came, which they had not done a single night prior thereto, after the calling of the strike. And so it seems to be pretty clear, to my mind, that the military arm is still necessary in our social existence, and its being brought into service often performs the same salutary and wholesome purpose that a surgical operation, timely and properly executed, does. And certainly it did in this case.

I might give in detail the various crimes that took place at that time, but I do not believe it would especially enlighten the committee.

I do, however, wish to call the attention of all the members to what appears to me to be a reason why this organization could not be a particularly attractive partner with which to deal; that is, their infidelity and disinclination to respond to favors shown.

It is a fact well known that previous to calling of the troops in the field, the strike leaders had the ear of the governor. We felt at the time, and we yet feel that the governor ought to have sent troops into the field upon the very first indication of violence. And we feel that had he done so, and sent them there without restrictions, sent them there with instructions to restore order, preserve peace, and enforce laws, that all of this violence would have been averted. I see no good reason why he should not. The fact that there was no killing after they went there is sufficient evidence of the correctness of my assertion.

When the troops came there they were maudlinly favorable to the strikers. That fact is evident from the manner in which Gen. Chase started out to disarm the people under arms. He first went to Huerfano County to disarm the sheriff and his deputies of that county, stating as his reason therefor that the strikers seemed particularly bitter to the sheriff of Huerfano County, and therefore he was going to disarm him first. Stating also that after he disarmed all of the guards in Las Animas County that he was then going up to Ludlow to disarm the strikers, observing that Mr. Lawson had promised that if he would first disarm the guards that he would look to it that all the strikers surrendered their guns. So, with great demonstration, the general at the appointed time took his army up to Ludlow to receive the arms of the strikers, and, to his great humiliation, I should say, and chagrin, they brought out, as I was told at the time, 12 guns and a miniature popgun, and he very narrowly escaped the appellation of "Popgun Chase." This was an abuse of the confidence which had been bestowed upon him particularly and all the way, and when in all the transactions up to that time they had received favors of the executive branch of the State and of the military arm. They showed their appreciation of it by condemning the governor, and continuing to condemn him the minute they failed to get every whimsical demand that they made from him. And Gen. Chase's conduct, notwithstanding his very kindly treatment of them, has been maligned by them ever since. I presume they will continue.

Now, I think I have disposed of the political question unless your honors care to ask some further questions. I think of nothing further on the matter of courts and juries.

On the matter of politics, I am going to say another word on a matter that I had forgotten. A great deal has been said about the participation of the coal companies in politics, and nothing said about the participation of this union in politics. It will only take a few minutes.

Chairman WALSH. We will wait.

Judge NORTHCUTT. For more than two years the United Mine Workers of America, through its officers, have been making efforts, aggressive efforts, to control the politics of the State of Colorado, and up to last fall they pretty nearly did it. In pursuance of their scheme to control the election, elect the officers of our county, they have put upon their pay rolls, or the benefit roll, many persons who never worked around any mines. They have gone out onto the farms and put ranchers on their benefit rolls and carried them for a long period up to election for the purpose of obtaining an influence over them to control them at the election. And last fall's election demonstrated the fact that their methods were very effective, indeed. In the spring election, the election held in Huerfano County last spring, they colonized the town of Walsenburg, bringing in there their union men from all over the county and other counties, so far as that is concerned, and kept them there long enough to establish a residence to vote in that election, and it was very close. They tried to control the election in both Las Animas and Huerfano Counties. I state these things to let you know these charges are absolutely true, by reason of the fact that they are now made in pleadings filed in the contest case pending in those counties there, and an issue is to be determined. In short, it is the coal company against the union. We have had some experience in this State of union-controlled counties politically. You take the county of Teller and the county of San Miguel, in 1903 and 1904, the sheriffs of those counties and the judges of the courts were elected by the miner votes. They were union-made politics, and when their difficulties arose they absolutely refused to make any attempt to enforce the law, so you are forced to the position of either taking the union-

made goods, or those which you may claim are dominated by the companies; take your choice. Getting pretty near to that in Colorado. It was that way last fall. A desperate effort was made to control the State ticket on the part of the union.

I think I have explained the matter of deputy sheriffs, commissions, how they were issued, and why, etc.

Complaints have been made about militia arresting people without warrants, etc. That is fully responded to by the observation that the strikers did not seek any warrants for the persons whom they detained, and I direct your attention to the Karos boys, Kris Karos and his brother, who were working up at Tabasco, were assaulted and savagely beaten by the Ludlow colony inhabitants, taken into their tent colony there, detained until one of them got away and brought the matter to the attention of the authorities, got away on an excuse to get his trunk. And not until a writ of habeas corpus had been issued did they turn the other fellow loose. Many others might be cited, but this illustrates the point.

I have explained the matter of the Seventh Street riot.

Oh, I wish to direct your attention to the citation in our brief of the case of Hinchman Coal & Coke Co. against Mitchell, as some criticism has been brought by our citing this case which has been reversed, and that justifies the criticism if knowingly done. The preparation of this brief began about the last of May or before that. The authorities were collated, and the data arranged before the last of May, though the brief was thereafter dictated. This case about which this criticism was made, and to which we allude, was reversed and the reversing opinion promulgated on the 28th of May. Information of it never reached me until the advance sheets of the Federal Reporter came out in—later in the summer—I think about July or August I got it. It is in the Two hundred and fourteenth Federal. I have forgotten the date. However, even had I known of its reversal, I should have considered the case, calling attention to the reversal, of course, and would have cited it for its reasoning force. I think it undoubtedly was good law up until the time that the court of appeals reversed it.

One other matter, I think, ought to be called to the attention of the committee.

In all of this talk the effort seems to be to find who was right or wrong between the contending parties. Scarcely anything is said about the man at work. When this strike took effect, as has been heretofore testified, about 40 per cent of the men remained at work. I may be wrong as to the number. Other accessions thereto were added from time to time.

Now, a settlement of this strike at any time after it was called would mingle the two conflicting elements; the men who remained at work evidently did not want to do any different. If they had wanted to go, they had an opportunity. As they did not go, presumably friction would have resulted if you had attempted to put the two together. No fair-minded man is going to drive out one man equally qualified to give the place to another, particularly when one is friendly and the other antagonistic.

Much might be said on that subject, but I will leave it for the ingenuity of the committee to study it out.

They had a party on the stand this morning who read many affidavits and copies of affidavits. We all know the damage of hearsay testimony and of taking ex parte affidavits. These parties making affidavits, most of them still exist, and if the committee will bring those parties before them and interrogate them they will find quite a different, if not an absolutely contrary, story told to that which is embodied in the affidavits.

One observation on strike matters generally, which must be pretty evident to the committee's mind, I can conclude in about five minutes, I think, unless you prefer to call me in the morning.

Chairman WALSH. All right, go ahead.

Judge NORTHCUTT. I am simply going to observe that the tendency of strikes for the last 25 years has been drifting very much, it seems to me, in the direction of rebellion in this country. I do not say that the unions universally indorse it. But certain it is that all the persons who are promulgating a certain cult detrimental to organized government invariably indorse the unions and indorse the strikes. Take this people belonging to this new cult known as syndicalism and anarchism—they invariably sympathize with the strikes, sympathize with the violence growing out of them.



I think one danger now confronting us is the temporizing manner in which all these questions are dealt with. A prompt and firm and positive enforcement of the laws now existing on our statute books will prevent much of the violence that grows out of these strikes. Laws can't be enacted to prevent strikes, any bit more than you can enact laws to prevent occasional assaults, but much remedial legislation can be enacted. I have implicit confidence in the wisdom, patriotism, and energy of the American people, her institutions and form of government, and I have no doubt but what in time, and I think in plenty of time to prevent rebellion, wise statesmen of the United States and the various States thereof will discover remedies and apply them in such a firm and telling way as to prevent that which has taken place in many other countries.

But it can not be done by these sensational and harrowing publicities that have been given to this and other similar outbreaks. And it appears to me, while on the subject of rights and remedies, that some recommendation ought to be made which will lead to legislation that will prevent the serious abuses of speech—free speech and free press that exists in this country. I do not mean to curtail free speech or publicity, but I do mean to curtail the abuse of it. And I hold in my hand a book marked, "The American Citizen," which has been given some circulation in this part of the country, and I am going to introduce it at this time in order that this committee may peruse and read it. It occurs to me that circulation of documents of this character ought not to be permitted. It advises its readers to buy guns and prepare themselves to resist the enforcement of the laws of this country.

I don't think of anything more I want to say.

Chairman WALSH. We will excuse you for the present. I want to get through with the witness to-night who has to be examined through an interpreter. One of the commissioners wants to ask you a few questions. I have none. Will you just retire for a few minutes?

Judge NORTHCUTT. Yes, sir.

(Witness excused temporarily.)

#### TESTIMONY OF MR. GRIGORIO GINIKIS—Recalled.

Chairman WALSH. Ask him where he was born.

The INTERPRETER. Italy.

Chairman WALSH. What place?

The INTERPRETER. Provincia Di Georcente.

Chairman WALSH. Did he receive any education in Italy? Did he go to school there?

The INTERPRETER. He says "Yes."

Chairman WALSH. Does his boy live with him?

The INTERPRETER. Yes, sir.

Chairman WALSH. Ask him if he ever belonged to the United Mine Workers of America?

The INTERPRETER. I never hear nobody to talk about United Mine Workers of America.

Chairman WALSH. Ask him how long he has worked at the mining business—how long he has been a miner.

The INTERPRETER. He said altogether about eight years and a half.

Chairman WALSH. Ask him where he worked before he came to Colorado?

The INTERPRETER. He was working in Pennsylvania.

Chairman WALSH. Pennsylvania?

The INTERPRETER. Yes.

Chairman WALSH. I think he said Greensburg—he understood that.

The INTERPRETER. Greensburg, Pa.

Chairman WALSH. Ask him if he knows what a union is.

The INTERPRETER. He said he heard what the word union was, but he don't know what it means.

Chairman WALSH. Did he ever belong to any society in this country?

The INTERPRETER. He says not.

Chairman WALSH. Ask him if he ever heard of the United Mine Workers of America.

The INTERPRETER. He says he never talked to nobody. I never hear nobody talk about United Mine Workers of America.

Chairman WALSH. Never talked to anybody?

The INTERPRETER. No, sir.

Chairman WALSH. Does he know what the United Mine Workers of America is?

The INTERPRETER. He says he understands, but he don't belong to the union.

Chairman WALSH. Ask him what he understands the organization is for.

The INTERPRETER. He don't know; he says he don't know anything.

Chairman WALSH. He don't know?

The INTERPRETER. No, sir.

Chairman WALSH. Ask him how he happened to come to Colorado, and who, if anyone, got him to come?

The INTERPRETER. He says he come himself.

Chairman WALSH. How did he happen to find out that he might get a job here?

The INTERPRETER. He says he heard there was a lot of work.

Chairman WALSH. How did he hear—he heard there was a lot of work?

The INTERPRETER. Yes, sir.

Chairman WALSH. Ask him who told him.

The INTERPRETER. He says he heard from everybody.

Chairman WALSH. Everybody. Where was he when he heard there was a lot of work here?

The INTERPRETER. He says in Chicago.

Chairman WALSH. Ask him who it was got his son to come, if he knows. Ask him if he got his son to come; put it that way.

The INTERPRETER. He says he come himself.

Chairman WALSH. What was he doing in Chicago when he heard that?

The INTERPRETER. He was working in a railroad station.

Chairman WALSH. How long had he been working in the railroad station when he heard of the work here?

The INTERPRETER. He says he worked two months before he came here.

Chairman WALSH. Two months?

The INTERPRETER. Yes.

Chairman WALSH. Ask him if he went to an employment agency to inquire.

The INTERPRETER. No, sir.

Chairman WALSH. Ask him if anybody asked him not to go to work when he came to Colorado, or attempted in any way to prevent him from going to work.

The INTERPRETER. He says he risk himself to come to Colorado and get a job.

Chairman WALSH. What is that?

The INTERPRETER. He risk it.

Chairman WALSH. After he came here, did any person ask him not to work, or threaten him in any way?

The INTERPRETER. He say nobody ever say anything.

Chairman WALSH. Nobody ever said anything to him?

The INTERPRETER. No, sir.

Chairman WALSH. How long has he been in this country?

The INTERPRETER. Thirteen years.

Chairman WALSH. Ask him if he intends to go back to the old country?

The INTERPRETER. He say if he have money some time he will; if not, he will stay here.

Chairman WALSH. Ask him if he understands that he has a right to become a citizen of this country?

The INTERPRETER. He said he was trying to be a United States citizen several times, but he don't know how to read and write English, and they refuse to give him papers.

Chairman WALSH. Because he could not read and write?

The INTERPRETER. It is his intention to be a United States citizen.

Chairman WALSH. Ask him how much money he makes in the mine?

The INTERPRETER. He say sometimes some months he get \$75, some months \$85, some months \$100.

Chairman WALSH. Ask him if he knows what a checkweighman is?

The INTERPRETER. A checkweighman is a fellow that check my cars.

Chairman WALSH. He don't know what a checkweighman is?

The INTERPRETER. No, sir.

Chairman WALSH. Ask him whether or not he is being paid for all the coal he mines?

The INTERPRETER. What he mines?

Chairman WALSH. Ask him whether he knows whether or not he is being paid for all the coal he mines?

The INTERPRETER. He said they pay what he done.

Chairman WALSH. Ask him how he knows that, whether they pay him for what he does.

The INTERPRETER. He said he shall mark every time so much what he done and he knows what he do and also he figure the work at the end of the month, so he figure how much he got coming to him.

Chairman WALSH. Ask him if he would be willing to work more than eight hours a day if they made him do it.

The INTERPRETER. I only want work eight hours, what I know law is.

Chairman WALSH. Ask him if he deals in the company store, buys his goods from the company store?

The INTERPRETER. Only he bought groceries to the company stores.

Chairman WALSH. Ask him how much they deduct from his wages for hospital dues?

The INTERPRETER. One dollar a month.

Chairman WALSH. Ask him how much they deduct usually for powder?

The INTERPRETER. He say he never use powder, he work with the coal that—he said he worked in a mine, pillar place coal, that is softer and don't need no powder at all.

Chairman WALSH. What mine is he working in?

The INTERPRETER. In the Valdez.

Chairman WALSH. Does he know the name of the company who has the mine?

The INTERPRETER. He say he don't know.

Chairman WALSH. Ask him what he gets paid for his work?

The INTERPRETER. He say he gets paid for the company. He say he get paid for the company, he heard the company, one the companies named Rockefeller, and that is all he knows about it.

Chairman WALSH. Does he know how much the company pays him, what price they pay him for mining the coal?

The INTERPRETER. They pay 55 cents a ton for coal.

Chairman WALSH. Ask him if he would belong to a union if he thought he could get more money by doing so.

The INTERPRETER. I don't want to belong to a union if even I get \$10 a day.

Chairman WALSH. Ask him if his boss speaks Italian.

The INTERPRETER. He says sometimes his boss talk very few words Italian language.

Chairman WALSH. Ask him how he finds out what the boss wants him to do.

The INTERPRETER. He says he is experienced in work.

Chairman WALSH. That he is an experienced workman?

The INTERPRETER. Yes, sir.

Chairman WALSH. That he, himself, is?

The INTERPRETER. Yes, sir.

Chairman WALSH. Does his boss never tell him anything he wants him to do?

The INTERPRETER. He said when the boss ask him to do some work, if he understand, he do it, and if he don't, why the boss he goes and shows to him what should be done.

Chairman WALSH. Ask him if he would still work there even though they did not pay him as much as they do now.

The INTERPRETER. Please give me the question again.

Chairman WALSH. Ask him if he would remain at work if they did not pay him the same wages.

The INTERPRETER. He say, no, sir.

Chairman WALSH. He would quit?

The INTERPRETER. Yes, sir.

Chairman WALSH. Ask him who gave him the job out at the mine, who he talked to about going to work.

The INTERPRETER. He say he talked to the superintendent.

Chairman WALSH. He said what?

The INTERPRETER. He say he talked with the superintendent of the mine, and the superintendent give the job to him.

Chairman WALSH. Ask him if he told him how much he would pay him before he gave him the job?

The INTERPRETER. He said when he was working with the company he got \$3.10 a day, but the most time he was working for himself in piecework.

Chairman WALSH. Ask him how much he got for piecework.

The INTERPRETER. He said some days he make about \$4—\$3 or \$4. or \$5 or \$6. something like that.

Chairman WALSH. Ask him how much the superintendent told him he would pay him for piecework when he hired him.

The INTERPRETER. He says that the superintendent don't know himself what the men in piecework—what a man make in a day.

Commissioner O'CONNELL. Ask how much a ton for digging coal he was going to pay him.

Chairman WALSH. Did the superintendent tell him when he hired him how much he would pay him when he would dig coal?

The INTERPRETER. He said he hadn't said anything.

Chairman WALSH. Does he know how much a ton he gets for digging coal?

The INTERPRETER. Fifty-five cents a ton.

Chairman WALSH. What do they charge for the house he lives in?

The INTERPRETER. He said he live in a little shack, a house, and he pay a dollar a month for the rent of the house. I got three shack, and I pay \$1.25 for each shack.

Chairman WALSH. How much?

The INTERPRETER. One dollar and twenty-five cents for use of the water.

Chairman WALSH. Twenty-five cents for water?

The INTERPRETER. Would be \$1.25 a month.

Chairman WALSH. How many rooms are in that house?

The INTERPRETER. There are three rooms in the house.

Chairman WALSH. And who all live in that house?

The INTERPRETER. Him and his family.

Chairman WALSH. How many?

The INTERPRETER. Seven altogether.

Chairman WALSH. Seven altogether?

The INTERPRETER. Yes.

Chairman WALSH. You may be excused.

(The Interpreter didn't know as much as I did about talking English. There's where the mistake came from. Yours, truly (signed), Gregario Ginex, Box 148, Valdez, Colo.)

#### TESTIMONY OF MR. WALTER F. LENTHALL.

Chairman WALSH. What is your name?

Mr. LENTHALL. Walter F. Lenthall.

Chairman WALSH. What is your age?

Mr. LENTHALL. I am 36 years of age.

Chairman WALSH. Are you married or single?

Mr. LENTHALL. I am a married man.

Chairman WALSH. Have you any children?

Mr. LENTHALL. No, sir.

Chairman WALSH. Where do you live?

Mr. LENTHALL. I reside at the present time at Rockland, Colo., the Solar mine.

Chairman WALSH. What county is that in?

Mr. LENTHALL. Huerfano County.

Chairman WALSH. What is your occupation?

Mr. LENTHALL. I am a miner.

Chairman WALSH. A native of this country?

Mr. LENTHALL. Yes, sir; of Tennessee.

Chairman WALSH. A native of Tennessee?

Mr. LENTHALL. Yes.

Chairman WALSH. Of what parentage?

Mr. LENTHALL. German decent.

Chairman WALSH. How long have you been a miner?

Mr. LENTHALL. All my life.

Chairman WALSH. You have been a coal miner all your life?

Mr. LENTHALL. Yes, sir.

Chairman WALSH. Where did you work in the coal-mining business prior to coming to Colorado?

Mr. LENTHALL. The Webster Fuel Co., British Columbia.

Chairman WALSH. And before that? Give me the places you worked in the coal-mining business.

Mr. LENTHALL. The State of Washington, Idaho, Montana, British Columbia, South Africa, and Australia.

Chairman WALSH. What time did you work in Colorado, and where?

Mr. LENTHALL. I worked in the Walsen, Cameron, Robinson, Mutual, and the Solar.

Chairman WALSH. Are you working in the Solar now?

Mr. LENTHALL. Yes, sir.

Chairman WALSH. As a miner?

Mr. LENTHALL. Yes, sir.

Chairman WALSH. Is the Solar a union or nonunion mine, Mr. Lenthall?

Mr. LENTHALL. No; it is a nonunion mine.

Chairman WALSH. It is nonunion?

Mr. LENTHALL. Yes.

Chairman WALSH. How long did you work at Walsen?

Mr. LENTHALL. The first time I worked at Walsen from November, I believe the 11th until November 22d or the 23d. And through some dispute against wages I was transferred to the Cameron November 26, 1913.

Chairman WALSH. How long did you stay there?

Mr. LENTHALL. I stayed there until the 21st of March, 1914.

Chairman WALSH. Why did you leave Cameron?

Mr. LENTHALL. On account of conditions not being satisfactory—not satisfied with the store and the general working conditions.

Chairman WALSH. Just describe the objection you had to the store and the general working conditions.

Mr. LENTHALL. The objection I had to the store was overcharges regarding furniture, groceries, and so forth, and in not receiving sufficient payment for my work—driving entries—which is heavy work and contained lots of water. I was only guaranteed—

Chairman WALSH. What is that?

Mr. LENTHALL. I was only guaranteed \$3.10 per day, while it really should pay—driving these entries, the kind of entries we had, the kind of wet work—it should at least pay \$4 a day. And besides that, when I came down to the Cameron mine I notified the superintendent of that Cameron mine made application for some batch furniture, temporary, on account I had my furniture at Pueblo. I bought two chairs, one table, one range, linoleum to cover the kitchen, one dresser and bed, one mattress (so called), and quilts and some other things that amounted to \$143. I signed a contract to have deductions made at \$25 a month. Well, everything went well until the first statement I received of the Cameron mine—that was November 30—and my total earnings for November were \$9.30, and this statement showed my deduction \$13.45, so that, therefore, I was \$4.15 in debt to the company. My second statement—

Chairman WALSH. For how long a period of time was that?

Mr. LENTHALL. That period was from the 24th; from the 24th of November. Then my second statement—

Commissioner O'CONNELL. From 24th of November to what other date?

Mr. LENTHALL. To the 30th; to the last day of the month. Then—

Commissioner O'CONNELL. Six days?

Mr. LENTHALL. Yes. Then the second statement I received on the 31st of December. That was the statement where I had a lot of trouble. The superintendent as well as the mine clerk; the superintendent directed the mine clerk—corrected the mine clerk's statement, and the mine clerk corrected the superintendent's. That statement is supposed to be copied off those books. There is a correction right here on the statement.

Now, I had an earning; I had a total earning of that day at the end of the month of \$74.11.

Chairman WALSH. A total what?

Mr. LENTHALL. Total earning of \$74.11. My deduction amounted in house rent, furniture, hospital, and fuel, amounted to \$91.25. Naturally I went over to see the superintendent about it, and the superintendent corrected it, and it left me a balance which I owed the company of \$63.09. Well, when I went with that statement to the superintendent, at the time he looked the books over himself, and he put down that balance due the company, instead of \$63.90, was \$75.74. He increased it. So I could not get any satisfaction. I had been three or four times to ask him to look the matter over, and he would say he would look it over. So I left it run on to January. On my January statement I had 88 hours, and I earned for the 88 hours \$34.10. My store deduction was \$34.10; therefore I didn't receive anything.

Chairman WALSH. How did it happen, Mr. Lenthall? Did you get the ordinary scale of wages and prices?

Mr. LENTHALL. Well, I had drawbacks. In that place I was working I had too much rock and what we call brushing. In driving an entry you have got to have the entry 6 feet from the center of the rail. Now, they had a heavy

roof, a heavy roll of rock, and they must be given a certain pitch, and I had to gob the rock 4 feet from the left rib. That took considerable time, and I didn't get anything extra; just my day's wages.

Chairman WALSH. They do not pay for that?

Mr. LENTHALL. No.

Chairman WALSH. Did you only work 11 days that whole month?

Mr. LENTHALL. No. I had an agreement with the superintendent that if I didn't make my day's wages he would give me enough hours to make it up in the month—to make the month up. So, therefore, that was the 88 hours which were missing. I made 2,549 hundredweight of coal and 15 feet of brushing, and the 2,549 hundredweight of coal paid me \$50.90, plus 13 feet of brushing at 65 cents; a total of \$57.48. Deductions on that were the preceding month—the previous month—\$86.28, so I stood to the company \$86.28 instead of \$74.75 after deducting the drawing. My statement shows it.

Then, in February I had 128 hours, and the 128 hours I earned \$49.50, and had 1,371 hundredweight of coal and 18 feet of brushing. That gave me \$36.42. That is the first time I ever drew any money, and my check amounted to 46 cents since November until February, according to this statement here.

Chairman WALSH. How many actual days did you put in in each one of these months?

Mr. LENTHALL. The whole month including Sundays.

Chairman WALSH. Working as hard as you could?

Mr. LENTHALL. As hard as I could.

Commissioner O'CONNELL. Including Sundays?

Mr. LENTHALL. Including Sundays; yes, sir. My daybook will show all the time correctly—that I had so many cars to load; everything else written down—which I carry. They are here to be inspected at any time you may desire.

Chairman WALSH. Go ahead.

Mr. LENTHALL. Now, of course I couldn't agree with the superintendent on these points.

Chairman WALSH. Does that take you to the end of your time at Cameron?

Mr. LENTHALL. Now, that took me up to the 24th—21st—and I had never received a statement from the 1st of March to the 21st. It was promised, because I could not settle with them, in the first place; and my superintendent told me I could not move until I paid absolutely every cent to the company.

Chairman WALSH. Told you what?

Mr. LENTHALL. Told me I could not move from that camp; couldn't go to any other place until I had paid everything to the company. I told him I was going to move away to Walsen, and so he told me to see the superintendent at Walsen and let me take my account bills over and be responsible for them and he would give me permission to move. I defied him.

Chairman WALSH. You defied him?

Mr. LENTHALL. I said, "I am going to move on Saturday morning," which I did. I defied him to put any obstructions in my way. Now, then, in the month of April I made \$123 that month. That was the best pay I ever made in the C. F. & I. I had \$80 in cash.

Chairman WALSH. How much?

Mr. LENTHALL. Thirty dollars out of \$123.

Chairman WALSH. What did your bills consist of? What did you buy?

Mr. LENTHALL. Well, there were tools, and keep paying on these bills, and I could never get finished up with these bills; and I asked for a statement on several occasions. I could not obtain one.

Chairman WALSH. They would not give you an itemized statement?

Mr. LENTHALL. No. Here is a copy which I received from the Mutual Coal Co., and Mr. Anderson he forwarded me a letter about two weeks after I left the C. F. & I., and told me—he was a clerk with the Cameron store—and asked him to collect the bill of \$40 after I left over four months. So I turned back and wrote him, and I have a copy of the letter.

(The letter referred to is as follows:)

"Mr. Davis, a clerk at the Mutual mine, handed me your letter of November 9, 1914—a store bill I should owe to the Colorado Supply Co., Cameron store, of \$43.61 for you to collect. I herewith will reply briefly to the demands. Firstly, I don't think I owe the C. S. C. any such bill. I left Cameron mine in March. My bills were transferred to the Walsen mine, and to where I was employed after I left Cameron, and there my bills were paid by deduction from my pay. When I left Walsen last June for the Mutual mine I was informed that

I was clear with the camp. It is rather strange for the C. S. C. to collect a bill from me after nearly five months. Well known to them, I was employed at the Mutual mine. Therefore I will not consent for any deduction from my pay to the demands of the C. S. C. I am in possession of all bills and statements except the itemized statement I so often asked them to furnish me with."

I haven't received any itemized statement from them since I left or during the time I stayed with them.

Chairman WALSH. Were there other English-speaking miners at Cameron and at Walsen when you worked there?

Mr. LENTHALL. Yes, sir.

Chairman WALSH. Did any of the other men have similar experiences to which you have detailed?

Mr. LENTHALL. Oh, yes; quite a number of them.

Chairman WALSH. How general was it?

Mr. LENTHALL. Oh, it was a general occurrence. I can mention quite a number of names; but when you wouldn't pay their bills and couldn't make any money, you were down on them; they had been paying grocery bills and stuff all winter, and they couldn't make enough to pay their bills. One man named Harrington and one named Cochran, etc., quite a number, besides the foreign element which are employed at the mine; and they have always complained about that Cameron store.

Chairman WALSH. Where did the people get water for domestic purposes at Walsen?

Mr. LENTHALL. At Walsen, I believe, is the mine water; but the Mutual, that was the last time I worked, that was the reason I left the mine, on account of that water.

Chairman WALSH. What was your experience about the water at that mine?

Mr. LENTHALL. On October 15—they turned that mine water on October 15. Previous to that we had city water, and I didn't know anything different until a young man came to me during the noon hour on November 11 and asked me what we were going to do about that water. I said, "I don't know; what water do you mean?" "About that water we are drinking." I said, "What about it?" He said, "Are you aware of the fact that we are drinking mine water?" I said, "No." I immediately went to the superintendent and asked him why we were drinking mine water. We found that the mine was in the filthy state of polluted water. There were three diseased Mexicans working in the mine, and they had used this water that flowed into the sump as a toilet, and from that sump the water was pumped out for domestic purposes. That was the reason I left the Mutual mine.

Chairman WALSH. Did they charge you for that water?

Mr. LENTHALL. They charged me.

Chairman WALSH. Was it deducted from your pay?

Mr. LENTHALL. Yes; it was deducted. I have the statement right here.

Chairman WALSH. How much?

Mr. LENTHALL. A dollar a month.

Chairman WALSH. Tell the commission about your experience with coal weights while you were with the Colorado Fuel & Iron Co.

Mr. LENTHALL. The Robinson mine and the Walsen mine, they had, practically speaking, the same cars; that is, wooden cars; and the Walsen mine has three different kinds of cars, and the wooden square car, and they have got them wooden cars that are built up sides, and steel cars. And there is a great difference in the Robinson mine in the weight of the wooden cars and the square wooden cars and what they have in Walsen. The Robinson mine has cars of from 27 to 28 hundredweight. That is the Robinson mine. The Walsen mine, the coal at Walsen mine runs from 34 to 56 hundredweight. I had a record of a car in June; this is my fourth car; I put down the weight, 5,600; and the lowest car I ever had in Walsen mine was the 13th of June, 2,600.

Chairman WALSH. What experience have the other men had there, that you know of?

Mr. LENTHALL. Had exactly the same experience what I had. There was a young man by the name of Bryson; he was up on the scales and he give us fair weight; and when Bryson was taken off, about the time the McNally mine burned, and they put a man to take his place, and the superintendent had to remove him on account giving us short weight.

Chairman WALSH. Are you a member of the miners' organization?

Mr. LENTHALL. No; I am not.

Chairman WALSH. Have you ever been a member of the United Mine Workers of America?

Mr. LENTHALL. No; I am not.

Chairman WALSH. Did you work there all during this trouble?

Mr. LENTHALL. I have; yes, sir.

Chairman WALSH. And you are working at the Solar mine now?

Mr. LENTHALL. Working at the Solar mine now.

Chairman WALSH. Do you exercise your right of franchise; do you vote at elections?

Mr. LENTHALL. I did; yes, sir.

Chairman WALSH. What has your observation been at the elections, if you made any at the camps which you have worked, in Colorado?

Mr. LENTHALL. On the 3d of November, in the morning at 7 o'clock, I was the second man to vote at the Solar mine, and there was quite a disturbance about that election. There were several men there objecting to our vote, especially some Mexicans objected to the vote, and I asked one of them who he was, to show his credentials if he had them, and I objected to his vote. He showed me some credentials that I considered at the time were not genuine credentials. I saw down to Walsenburg and saw the district attorney or the sheriff about it. Coming to Walsenburg, or passing the store at Walsen, I saw quite a number of Greeks and Italians, which I knew at the time worked in the Walsen mine who were not citizens.

Chairman WALSH. How did you know they were not citizens?

Mr. LENTHALL. Because I talked to them. One of them was working with me previous in the mine, and he was in the country only about eight or nine months. I asked him if he was a citizen. There were Mexicans, a man that came from old Mexico, and he told me that he voted.

Chairman WALSH. He is not a citizen?

Mr. LENTHALL. Not a citizen of the United States.

Chairman WALSH. Did you ever make any other observations with reference to the way the elections were conducted?

Mr. LENTHALL. No; I did not, sir.

Chairman WALSH. Did anyone ask who you were voting for? Or ask you to vote for anyone?

Mr. LENTHALL. Well, I noticed that several gentlemen that were not known to me, they came around to the house and asked our wives to vote—were introduced—

Chairman WALSH. What?

Mr. LENTHALL. They were introduced as out of the party they were belonging to, the Republican or Democratic Party, and we were told, you know, the best party for the welfare of the country was the Republican Party.

Chairman WALSH. They told your wife that?

Mr. LENTHALL. Our wives. Of course I didn't see either of those gentlemen, because I was working. He was at our homes during working hours.

Chairman WALSH. Do you know who he was?

Mr. LENTHALL. No; I got a description. I asked my wife to give me a description and she said he was a young man, tall and stoutly built.

Chairman WALSH. What do you know about the actions of the mine guards located at the places where you lived?

Mr. LENTHALL. Well, some of those mine guards, especially after the McNally was burned down, they started to—I happened to be at the time just in the vicinity of the superintendent's house where they came by from McNally, and I seen one having a lot of shirts and other stuff belonging to the so-called home guards, which was formed on this occasion after the State militia was withdrawn from these camps. One of them was named Moore, and another companion I didn't know his name, he was a stranger. And I couldn't see why he should carry that stuff away, and so I asked him, and he said: "I am going to keep it." Then the second occasion I noticed that a Seventh Street saloon, after they had had that battle, the battle was over at Walsen, that was on April 28, I saw a lot of militiamen with some of the men imported from Joplin, Mo., going to that saloon. I saw a man come out with a box of cigars and gunny sacks of whisky, and so forth, and I said: "Where did you get that from?" He said from the saloon. So the camp marshal arrested them, and later they were released. Why it was, I don't know.

Chairman WALSH. Do you know of the mine guards or militia committing any acts of violence in the camps where you were located?



Mr. LENTHALL. No; I can't say as to that.

Chairman WALSH. Did you know of any company employee using explosives, or anything of that kind?

Mr. LENTHALL. I know that four of the Joplin imported men had 16 dynamite sticks and tried to blow a saloon up, and they were stopped by Mr. Graham. Then there was talk in the camp that some of the buildings in the McNally were burned by the Joplin men.

Chairman WALSH. How do you know that some of those buildings were fired by the Joplin, Mo., men?

Mr. LENTHALL. Through the conversation I overheard.

Chairman WALSH. Between whom?

Mr. LENTHALL. Between some of the men, I don't know the names of any of them, I couldn't say.

Chairman WALSH. Can you give me the names of any of those men that fired the McNally mine.

Mr. LENTHALL. I know the Christian names. I don't know that I could identify them if I could see them.

Chairman WALSH. Give me those names.

Mr. LENTHALL. Tom, Harry, and Joe, three of them.

Chairman WALSH. Did any person have any conversation directly with you at any time with reference to committing acts of violence or depredation on the company's property?

Mr. LENTHALL. Not directly, but indirectly. I do not know if he said that in a kind of josh way or not, that they were going to blow up some more red necks. I said, "Blow up some more what?" He said, "McNally." That was the class of people which came from Joplin, Mo., which really did cause the Colorado Fuel & Iron Co. a lot of trouble during that time, because of that kind of people, and I believe they have done more acts of violence than the company does know or ever will know.

Chairman WALSH. How many of these men came in during the strike?

Mr. LENTHALL. At first I don't know exactly the number. But I know that on the 4th of December, 1913, in Cameron at 7 o'clock—between 7 and 8—a whole trainload came in. They were divided somewhere, some at the McNally and some at Walsen and some at Cameron.

Chairman WALSH. About how many would you say came in on that train?

Mr. LENTHALL. Well, I should figure about between 50 and 80.

Chairman WALSH. When did you come from Solar; when did you leave Solar?

Mr. LENTHALL. I left Solar last night.

Chairman WALSH. Is your wife still at Solar?

Mr. LENTHALL. Yes; she is.

Chairman WALSH. Yes.

Mr. LENTHALL. I interviewed an attorney, Mr. East, down there regarding this matter at this store. Of course, I am not very well acquainted in Walsen; I have not got time to go down to Walsen; I live 2 or 3 miles away from Walsen, but I want to protect myself. Furthermore, I heard they—that that same manager came around to the store where I am dealing at the present time and tried to get them to pay that bill. He tried to collect that bill of \$40, but that bill had been transferred.

Chairman WALSH. What did you make last month at the Solar mine?

Mr. LENTHALL. On the 16th of November, \$6.23; on the 17th of November, \$3.94; on the 18th of November, \$4.33; on the 19th the mine was on fire and we did not work; had a fire in the mine on the north, through gas. On the 20th I made \$3.62; 21st, \$5.80; on the 23d I worked a half day, and I made \$2.09; the 24th I worked a half day and made \$2.88; on the 25th I made \$4.90; on the 26th I worked half a day, company work—on the 26th I made \$2.81; on the 27th I made \$6.45. That concluded November. Then I made on the 30th—the mine did not work on the 28th on account of gas being too dangerous to go underground. Then on the 29th was Sunday, and on the 30th, the last day of the month, I made \$4.34; amounting to a total in the 11 days, \$47.44.

Chairman WALSH. Are you now dealing at the company store at Solar?

Mr. LENTHALL. No; there is no company store.

Chairman WALSH. No company store there? Are you getting along all right at Solar?

Mr. LENTHALL. Excellent. My bill never gets higher, and the company has the record to prove it; don't go any higher than about \$18 or \$19.

Chairman WALSH. You seem to have kept a very close account of your receipts and expenditures there. Is it or is it not your custom to do that?

Mr. LENTHALL. It is; it has always been my custom.

Chairman WALSH. Have you been doing that all the time?

Mr. LENTHALL. Yes, sir; at all the mines I have worked. I always keep every day what work I do.

Chairman WALSH. How does it happen, I have been requested to ask you, that you have worked in so many mines—that you have traveled so much?

Mr. LENTHALL. I was single and wanted to see the world, and I went to South Africa and other places.

Chairman WALSH. How have you gotten along with the other companies for whom you have worked outside of the Colorado Fuel & Iron Co.?

Mr. LENTHALL. Pretty fair. There is always some little grievances, but they were always settled by arbitration.

Chairman WALSH. What do you think of the necessity of the men having a checkweighman?

Mr. LENTHALL. I should say that would be a good idea.

Chairman WALSH. It would be a good idea?

Mr. LENTHALL. Yes, sir.

Chairman WALSH. Do you think if checkweighmen had been employed that you would have been satisfied with the weights you were given?

Mr. LENTHALL. Yes, sir; I think it would cause satisfaction all around.

Chairman WALSH. How many men work in the Solar mine where you are now?

Mr. LENTHALL. Quite a number.

Chairman WALSH. Do you have any objection to letting us copy those records you have?

Mr. LENTHALL. None whatever.

Chairman WALSH. I wish you would please turn them over to the stenographer.

(The papers so offered are printed as "Lenthall exhibit.")

At this point we will take an adjournment until 9 o'clock to-morrow morning.

(At 6 o'clock p. m. an adjournment was taken until to-morrow, Wednesday, December 16, 1914, at 9 o'clock a. m.)

DENVER, COLO., Wednesday, December 16, 1914—9 a. m.

Present: Chairman Walsh; Commissioners Ballard, O'Connell, Lennon, and Harriman.

Chairman WALSH. Gov. Ammons.

#### TESTIMONY OF GOV. ELIAS M. AMMONS—Recalled.

Chairman WALSH. Governor, we are going to conclude our hearings to-day, and I thought perhaps you might have something further to say. Is there anything you wish to say? If so, just proceed.

Gov. AMMONS. I think I did not say what I intended to the other day about the other officials in the State capitol, and to correct what might be a wrong impression I desire to say that the State treasurer assisted me in a good many ways in connection with the financial situation during the strike. I spoke from memory as to the men that were at Ludlow at the time they were attacked by the strikers.

I have had a list of the men who were there, taken from the official records, showing how long they had been in the service and what their business was at the time they joined the National Guard. I will submit this.

Chairman WALSH. Please do so.

(The list so offered is printed among the exhibits at the end of this subject as "Ammons exhibit.")

Gov. AMMONS. There are two groups. The first group of 36 men, including the man whose name is written in pencil, were at Cedar Hill or near Ludlow at the time the attack was made upon them on April 20. The second group of 10 men, I think, were at Sopris. I had forgotten that there was a smaller group of men still at Sopris. These 10 were all Colorado Springs men. Now, this is the official list and it is very different from what the papers—the public press has given out—and I think it will be illuminating so far as the men in the militia at the time this attack was made is concerned.

This second group did not arrive at Sopris until 3.45 in the afternoon. There were two or three men who belonged to the National Guard, but not on duty, who came some time during the day and I don't know about those, but this penciled name in here was that of a cook, a former member of the Regular Army. He volunteered to go out and assist that morning, and to protect him in case he was wounded he was enlisted that morning. I would like to put that in the record, to show what the official records were at that time.

Chairman WALSH. It will be made a part of the record.

Gov. AMMONS. Now, Mr. Chairman, another thing I think I can clear up a little bit. The important feature of that indirect conference which was held just prior to the time the troops were called out had but one purpose. Whatever the understanding may be of the detail, either by the strikers or their friend, Mr. Patterson, or the operators on the other side, and I say I invited Senator Patterson there, and he was very kind to put in two or three days' time on that matter rather representing the strikers in the indirect conference—the real object in all these letters written, by whomsoever written, was to get a form of letter which I could submit to both sides of the controversy that might be accepted by both sides, and therefore terminate the strike. There is not anything else important about it.

I have read some of the statements concerning the duties of the governor and of the constitutional provisions. I want it understood I am not a lawyer. The constitution, though, does provide in very plain language that the governor is the chief executive, and in him is lodged the supreme power; that his duties are to see that the laws are faithfully enforced, to suppress insurrection, and repel invasion. It also provides, as was called to your attention, that the military arm of the Government shall always be subservient to the civil authorities. The head of the civil authorities of the State is the governor. And the military forces of the State are under his command. They are, therefore, just as the constitution says, subservient to the civil authorities.

As I have understood my duties, so long as the local authorities were capable of controlling the situation, during the strike troubles in all these counties, it was the duty of these local authorities to take care of the situation. Every attempt was made to assist these local authorities in controlling the situation in each one of the counties. When the local authorities broke down and were unable even to make an arrest, nothing could be done by the civil authorities, then it became the duty of the governor to use the other force provided for him, and the only other one, and that was the military, the National Guard, and that was done.

So far as the published statements and talk of unfairness are concerned, I want to say this: Every effort that I could make was made simply to enforce the laws of this State, to suppress violence and to prevent it.

I desire to suggest, referring to considerable of the testimony or statements here, that it is my impression that it is very largely true, from the experience during this strike, that the strike did depend somewhat on violence or picketing, on inspiring fear in those that remained in the mine or might want to go back there, and that anything that was likely to prevent that would be considered unfair. I am speaking only from the experience of this strike. I do not believe there is a fair-minded person in this State that will not agree with that statement. In other words, I was urged a number of times that I ought to keep the hands of the State off of the situation, with the idea that if the operators would not do certain things that the strikers should not be restrained.

Now, I want to say another thing as to those arrests. I see there is a good deal said about that. I took the best legal advice I could get. I listened to a good deal that was offered, and, as I said before, on the stand, my legal advisor was the one chosen by the people of the State—the attorney general.

It was impossible to arrest and try those charged with violence down there during those turbulent times. The attorney of the United Mine Workers, in my office, agreed with me in that, that that ought not to be done. I did not have any disposition even to attempt to try men by a military court. However, something had to be done to control the situation. My directions to the adjutant general were to permit no one to create a disturbance if he could help it, no matter who it was, and that anyone who made such an attempt should be locked up. I recollect that those instructions were very explicit and that it should apply to everybody concerned, whether it was an operator or miner or an outsider. A great many arrests were made necessary. No information could be gotten, that I know of, and the strikers would not reveal anything. We

could not try those people, and the only thing that could be done was to hold them. There are a great many charges, evidence of conspiracy, like the instance where, at the ambushade at La Veta, and if we did not hold those people where they could not be talked to we could get no information whatever. The military commission was organized to sift these cases in order that we could get as much testimony as possible and not hold indefinitely those who were probably not guilty of serious crime. I know to-day of no other course that could have been pursued that than which I did pursue.

So much has been said of one particular arrest that I want to mention that—that of Mother Jones. In the early stages of the strike she was engaged in making inflammatory speeches down there. After every single one of them, as my recollection goes, there was a wave of violence. She seemed to exert a tremendous influence over those people down there.

When she went down there the second time—the first time she didn't stop; came on through to Denver, coming through the South. The second time she was down there she was sent to the hospital by the military forces and locked up, but told she could leave that district whenever she pleased. That was true just as long as she was down there. And I recall very well when Mr. Hawkins came to my office and wanted to talk over this situation with me, and we walked down town together, and he said he was thinking of commencing proceedings to liberate Mother Jones. I replied to him, "Horace, why don't you advise her to leave there? Hasn't she made enough trouble?" I said, "It is costing us \$5,000 a day to keep the peace down there, and the sort of work she does will offset it all. She has no business there; she doesn't live there. Why don't you have her leave?" And the same sort of conversation occurred when she came back—I think it was before the time she returned to Walsenburg and was locked up there. I did my best to beg him to keep her from going into the district because of what I believed to be the very bad effect, and I could not induce him to do so. He said at that time she had a constitutional right to go and she was going to go. In other words—well, I won't say it. I said, "Now, her only object in going down there is simply to show her defiance of the State authorities," and I urged him that we had had enough trouble and he ought to urge her not to go back. She came up that time from Trinidad on her own request.

I do not see, Mr. Chairman, as I said a few moments ago, how anyone could have done any differently under the situation than to have locked these people up and kept them.

So far as their not seeing their attorneys is concerned, it did not make any difference whether there was a request for an attorney or not the same plea was made. This same man who shot Belcher—Sancannelli—never asked for an attorney, yet the papers were full about his not being permitted to see an attorney. These people—these arrested people were turned over to the civil authorities just as soon as they were ready to take them, and we urged them to take them before they did.

I think it is due to the commission that these statements should be made.

I want to say one thing more, and that is as to the National Guard. The National Guard was called out from all walks of life, from all over the State. It had in its membership very strong partisans both ways. There were union men in it—some; I don't know how many. There were, as I said, those who sympathized in every direction. Among the members—I want to say this, too, that we did not have enough, not enough men to carry out the original purposes when they were called into the field. There were among their members a number of students of our higher educational institutions, both private and public, and also quite a number that were in the high schools. When it developed that they had to be kept there some time I instructed Gen. Chase as fast as he could get reputable people to take their places that he should return these schoolboys to their homes, which was done, and he enlisted in Denver and I think everywhere he could men to take their places as fast as he could find those who would take them. It was difficult to do that, Mr. Chairman, for the reason that the question of their pay was challenged, and we could not even supply them with proper clothing, and it was very difficult.

There were probably, altogether, at different times in the field, with short or long terms, 1,500 or 2,000 men, and with whatever care anyone could exercise there was bound to be perhaps some in there who committed indiscretions. I want to say again in regard to criticisms that have been made that the strikers showed the same disposition toward the Federal troops that they exhibited toward the National Guard. We never had so many men as the Federal Gov-

ernment has had, and naturally the Federal Government is stronger and perhaps better respected on that account.

I sincerely hope, as I suggested the other day, that at some time the commission will have a report from the Federal officers in the field, because my information is that their experiences have been the same as ours. I have learned in connection with this strike that there is a strong sentiment against—a strong sentiment among the same class of unions against any sort of military control. I was recently East and I conferred with a good many men from different States at the governors' conference. I was over in Milwaukee and in Chicago, and I learned that the same sentiment existed, not only here but in many other portions of the country; that there is a strong prejudice against the military arm of the Government being used at all.

I think, Mr. Chairman, that people who sympathize with this—and I am suggesting this because I am looking to the future—are making a great mistake, to my mind. There are situations, and we had one of them, where anarchy is certain to reign unless the military arm of the Government is called upon to restrain it. I do say this: That I never did anything with as much regret in my life as I felt when I called out the National Guard, when I felt that I had to do it. I have been severely criticized because I did not call them out sooner, but, even waiting as long as I did, there are very respectable people in our community that will deny to-day the necessity at that time of calling out the National Guard.

I have urged in this State and I am going to urge again the establishment of a State police force under strict civil-service rules that can be called to the assistance of the local authorities at any time at the incipency of any trouble, realizing, Mr. Chairman, that they will be abused, just as the military is, but that things will not get into an absolute state of insurrection and that at the incipency of these troubles they will be much better controlled.

One other suggestion I want to make to you. There are 800,000 miners in the United States, and I am using this simply as an illustration of any other organization, and I do not know but that there are some that have more. There are 800,000 miners in the United States. They are not all organized, but they are trying to get them organized into one organization. If they are organized into one organization and they call a strike for recognition of the union, or for any other purpose, in any one of these Western States, at least, the States are absolutely powerless to defend themselves against any sort of campaign they may make. For instance, our whole population is only about 800,000, counting men, women, and children in Colorado, old and young, the aged and the babies, and an organization of that kind can not be controlled by any police force if they make such a campaign as was made in Colorado during this strike.

And I want to emphasize this: That I have no apology to make for calling upon the Federal Government to assist us at a time when nearly all our troubles came from beyond the boundaries of the State, and I believe that the Federal Government was not only justified in sending an armed force here to prevent the invasion of those who came here to make trouble, but to assist us in the fight that was not local but was interstate in every way; and I say this as applying not only to labor on one side, but to capital on the other, that if either side is to be permitted to come into a State with such power as was evinced in this contest no State of our strength can possibly cope with them.

And I want to say one thing more in regard to these Western States. Some of them have comparatively little of their property on the tax rolls, and there is approximately only 25 per cent of the territory of Colorado on the tax rolls, and nineteen-twentieths of the taxes come from one-eleventh of the property of the State. We have new institutions to build and a heavy load to carry, anyhow, and where this sort of a campaign, whether it comes from one side or the other of this industrial conflict, is carried on, and where the force of the entire country, on either or both sides, is brought to bear and the battle ground chosen purposely in one State, and not in the district at the time involved, it is the duty of the Federal Government to come in and assist, and I have no apologies to make for asking the President to do it.

Now, Mr. Chairman, if there is anything further you desire to ask me, I will be glad to answer your questions.

Chairman WALSH. I was requested by one of the commission to ask you whether or not you made formal declaration of martial law in any district?

Gov. AMMONS. Mr. Chairman, the orders which were made were made down

there under legal advice and were intended to cover any district where an outbreak might occur, even clear to the borders of the State. In other words, there was at first no disturbance that could not be controlled by the local authorities except in two counties, but it was threatened in many counties, and it was threatened to call out the men in the rest of the State, and the order was made so that if these new districts should come in with the military in the end that as soon as they went there martial law was in effect sufficient to control the situation. We did not want to break down the local authorities where further than was necessary.

Chairman WALSH. That is all. Thank you, Governor; and we thank you for your cooperation also during our stay in Denver.

Gov. AMMONS. I will be glad to cooperate in any way that I can.

Chairman WALSH. Gen. Farrar, please.

#### TESTIMONY OF GEN. FRED FARRAR.

Gen. FARRAR. Do you wish me to be sworn?

Chairman WALSH. No; we are not swearing witnesses. State your name, please.

Gen. FARRAR. Fred Farrar.

Chairman WALSH. What is your position in the State of Colorado?

Gen. FARRAR. Attorney general.

Chairman WALSH. How long have you been a member of the bar?

Gen. FARRAR. Since August 15, 1900.

Chairman WALSH. You were educated where?

Gen. FARRAR. In Colorado.

Chairman WALSH. Are you a native of Colorado?

Gen. FARRAR. Yes, sir.

Chairman WALSH. How long have you held the office of attorney general?

Gen. FARRAR. I was inaugurated on the 14th of January, 1913.

Chairman WALSH. Were you in active charge of the office during the whole of the strike?

Gen. FARRAR. The attorney general's office?

Chairman WALSH. Yes, sir.

Gen. FARRAR. Yes, sir.

Chairman WALSH. I will ask you, please, and I want to say, General, we would like to give you more time, but we are compelled to keep it within the limit of about an hour in order to get through our hearings to-day. I would like to ask you to explain briefly to the commission whether or not martial law was at any time declared in the State—whether or not any district was declared to be in a state of insurrection or what order was made that gave the military authorities force and authority in the State.

Gen. FARRAR. Before I can answer the question as to whether or not martial law was ever declared I would have to come to a definition or common understanding with the commission as to a definition of martial law. As I understand it martial law has never been declared.

Chairman WALSH. We have each in our own minds several definitions, and so we can not give such a definition as you ask. But we would like a definition from you as to what existed in the State.

Gen. FARRAR. As I define martial law it was not declared in any district in the State. I define martial law to be that condition of law or government which vests in the military authorities full, complete, and absolute jurisdiction over the people of any district where the law may prevail.

Chairman WALSH. Under your constitution here and decisions do they require any formal declaration from any source?

Gen. FARRAR. No; it does not. It requires a declaration, but not a formal or definite one. The decisions of this State—and I refer more particularly to the much-discussed Moyer decision—provide that the governor, as commander in chief of the military forces of the State, may go to any length necessary to maintain and preserve the State and the enforcement of its laws. Now, that would seem to destroy any border line between what might strictly be termed martial law and a condition which might not be martial law. In other words, the civil authorities might retain certain functions and the military have certain power and authority; and while it would not, strictly speaking, be martial law in the sense in which I have defined it, it would be nevertheless something which approached it, and the line of demarcation would not be clear.

Chairman WALSH. It was stated by a witness here, who was also an attorney, that the powers of the militia as defined by the Moyer decision was based upon the proposition that the district was in a state of insurrection. Was that correct?

Gen. FARRAR. I think not.

Chairman WALSH. There is no such necessity, then?

Gen. FARRAR. I presume that any condition which would render the local authorities powerless would be such a condition as to permit the action through the military authorities as defined in the Moyer decision. Now, that might be insurrection or might be something else.

Chairman WALSH. Is it necessary for the executive to make any formal declaration as to the powerlessness of the authority before the power vests in the militia to conduct the government so far as it is conducted in that way?

Gen. FARRAR. I believe not. However, one was made in this instance.

Chairman WALSH. Substantially what was that, General?

Gen. FARRAR. The order was to the effect that a condition of—I believe the term “insurrection” was used or “a condition of lawlessness and violence existed, particularly in the counties of Huerfano and Las Animas.”

Chairman WALSH. That was a call made by the governor for his troops?

Gen. FARRAR. Yes; that was the proclamation.

Chairman WALSH. What steps, if any, did you take to ascertain whether or not the military authorities of Trinidad and other authorities of the strike down there were acting in conformity with the constitution and statutes of the State, and whether or not the civil authorities were being deprived in any way of their powers?

Gen. FARRAR. Very little. During the time the militia was there I was not in touch with the situation in an official capacity, except as it came to me through the governor. With the exception of one or two instances, Gen. Chase and I did not have any conferences. He was at Trinidad, and during the time the militia was in the field I was not at Trinidad, although on two occasions I sent my deputy, Mr. Francis E. Bouck, down to Trinidad in order to be able to assist along certain lines which were then under discussion. And I therefore say that my relationship with the military authorities was largely indirectly through the governor. I did, of course, know in a general way what was being done down there and what lines were being followed, but it was not a definite daily report or information coming to me. I will say, further, in that respect that there were a number of attorneys in the guard—I mean the National Guard or militia—and that some of these were advising Gen. Chase as to the local situation. My advice was, of course, of a more general nature and was always to the governor, with the exception of the two occasions when Gen. Chase and I met in conference here.

Chairman WALSH. Do you know whether or not the testimony taken before the military commission, of which Maj. Boughton was the head, was preserved?

Gen. FARRAR. No; I know nothing of it. I have never seen the testimony, and can not answer your question, Mr. Chairman.

Chairman WALSH. Did your office make any effort to ascertain whether or not the civil rights of any person had been violated or abused?

Gen. FARRAR. You mean by this military commission?

Chairman WALSH. Yes; by the military commission.

Gen. FARRAR. Yes.

Chairman WALSH. Was there any such abuse or violation?

Gen. FARRAR. Not that I was able to learn. Now, I must qualify that by saying that I have not seen the testimony, and my information concerning it was of a general nature.

Chairman WALSH. What were your lines of investigation to ascertain whether or not such was the fact?

Gen. FARRAR. Gen. Chase, I believe, was advised, I do not know by whom, that a commission could be organized with power to try and punish. I believe that he first sent Maj. Boughton to Denver to see me in regard to the organization of such a commission; at least my conversation was with Maj. Boughton, and I advised against any such procedure.

Later on I saw Gen. Chase himself, and as I recall it, he then stated to me that he saw the thing as I had seen it, and that no attempt would be made to carry out that plan. It may be my understanding from him that it was not his original idea.

Now, then, answering your question further. A great many complaints were made to me by members of the union concerning the acts of the militia, concerning the acts of the military commission and with reference to matters generally in the district during the time the troops were there; and from those sources I was able to learn, in a general way, what was done by this commission.

Chairman WALSH. In case the lawful rights of any individual have been violated in the field, to his damage, what legal recourse, if any, would he have under the law of Colorado, and who would be responsible therefore, if anybody?

Gen. FARRAR. I assume your question is directed toward the violations of any personal rights which these strikers may have had; rights which had been violated or abused by the military.

Chairman WALSH. Which anybody may have had. Suppose it turned out that a man that was brought before that military commission—was brought there through the spite or ill will or malevolence of some individual—what recourse would the injured person have, if any, and against whom would his claim have to be made?

Gen. FARRAR. The person against whom the charge would be made would have to justify his act. By that I mean that every step which he took would have to be a legal step, and if it was not legal he then would be subject to such pains or penalties as might be appropriate to the actions complained of. It might be an action of false imprisonment, it might assume some criminal form, it might be an action in damages for various sorts of things.

Chairman WALSH. What criminal form might it assume?

Gen. FARRAR. It might assume several. It might go so far as to constitute an assault; it might take any number of various forms.

Chairman WALSH. Do you have a kidnapping statute, forcibly taking a person against their will?

Gen. FARRAR. We have.

Chairman WALSH. Does it apply to adults?

Gen. FARRAR. I can not say, Mr. Walsh, whether it does or not.

Chairman WALSH. Well, now, is there any general responsibility? I am getting direct to the point of stating that the suggestion was made by some witnesses upon the stand here that if the rights of any person were violated under those orders that the responsibility would be upon the general, upon the brigadier general; that is, a personal civil responsibility? Is that your idea of the law?

Gen. FARRAR. It depends entirely upon the relationship which he bore to the act in question.

Chairman WALSH. Then the responsibility, if any, might be upon the private who arrested the man, or the judge advocate who ordered him held, or upon the brigadier general who was in command of the entire matter?

Gen. FARRAR. It might go further than that. It might reach the governor as a private citizen.

Chairman WALSH. It might reach the governor under certain circumstances?

Gen. FARRAR. Yes.

Chairman WALSH. And he could be prosecuted criminally and proceeded against?

Gen. FARRAR. No; I don't think he could be prosecuted criminally, but he could be proceeded against as an individual citizen.

Chairman WALSH. That is, for damages? Or for a tort?

Gen. FARRAR. As a matter of fact, after the strike in 1913, the metal miners' strike at Cripple Creek, actions were begun by several of the strikers—I have forgotten exactly whom, but I believe Moyer and Pettibone were included in it—against the brigadier general and against the governor as private citizens and taken to the United States court. The cases were dismissed, not dismissed voluntarily, but thrown out of court.

Chairman WALSH. Was a demurrer sustained?

Gen. FARRAR. I understand that it took that turn; yes, sir.

Chairman WALSH. But there is authority, is there, for the proposition that you laid down that it might be a civil—a criminal liability in such cases?

Gen. FARRAR. In the event the officer violated the law.

Chairman WALSH. How many men are now under indictment, if you know, General, for acts growing out of the strike—alleged offenses against the laws of the State?



Gen. FARRAR. The grand jury at Canon City indicted 93, 27 of them for murder; 7 of them are now being tried, my office cooperating with the district attorney. One hundred and sixty-five are indicted at Trinidad. Those cases are not set for trial. Many of those are for murder. The grand jury is now sitting at Walsenburg, but it has not reported, but it is in charge of an assistant from my department.

Chairman WALSH. Who is the assistant in charge?

Gen. FARRAR. Mr. Frank C. West.

Chairman WALSH. What part is your office taking in the prosecution of these cases?

Gen. FARRAR. May I add one thing to your former question?

Chairman WALSH. Yes.

Gen. FARRAR. Indictments were also returned at Boulder, but I am not able to give you the number of men who were indicted; I have no information at hand. Those are cases which were commenced originally by the district attorney, and it was only after they had proceeded sometime, or to some length, that my office was called to assist. Now, then, your other question, please.

Chairman WALSH. What part is your office taking in the prosecution of those cases?

Gen. FARRAR. At Canon City, which is in Fremont County, I was requested by the local authorities, that is, the district attorney and other officers in that county, to assist or cooperate with the district attorney in that district, Mr. Gilbert Walker. At Trinidad my office assumed full charge of the grand jury, and the prosecution of the cases is entirely under my direction. The same thing, so far as it has gone, is true of Walsenburg; and at Boulder we are simply assisting the prosecuting officers there.

Chairman WALSH. Do you have authority, General, under the law, to take complete charge of the prosecutions, as attorney general, if you so desire?

Gen. FARRAR. No.

Chairman WALSH. Is your jurisdiction concurrent?

Gen. FARRAR. No; I have authority only when directed by the general assembly or by the governor.

Chairman WALSH. That is the only case in which you have been directed by the Governor, is it?

Gen. FARRAR. By the governor, in this instance.

Chairman WALSH. What were the reasons given for that?

Gen. FARRAR. There was apparently a condition which can be described solely as that of anarchy, particularly in those four counties.

Chairman WALSH. Who is the district attorney in that district?

Gen. FARRAR. Well, there are three different district attorneys in those three districts.

Chairman WALSH. The one in which you are conducting the prosecution?

Gen. FARRAR. John J. Hendrick is district attorney.

Chairman WALSH. Proceed.

Gen. FARRAR. The situation had become so serious that it assumed a State-wide—I might even go further than that, even broader than a State-wide aspect; but so far as we were concerned in Colorado, it had assumed more than simply a local county aspect. And with the vast number of acts of violence which had occurred, it became so serious that the governor felt that the State should become in a measure responsible, at any rate responsible for the prosecution of the perpetrators of those acts or crimes.

Chairman WALSH. What are the legal qualifications for membership in the National Guard?

Gen. FARRAR. I believe the applicant must be 18 years of age, either a citizen or have declared himself for citizenship. Those are all that I recall.

Chairman WALSH. Any moral qualifications? Are they required to be persons of good moral character, or good repute, or anything of that sort?

Gen. FARRAR. I do not recall that the statutes specifically cover that.

Chairman WALSH. What steps, if any, have been taken by your office to investigate the acts of the officers and members of the National Guard with reference to the recruiting of the individuals in the militia, whether or not they were citizens legally qualified?

Gen. FARRAR. I brought it up several times with the governor and once or twice with Gen. Chase; other than that, none.

Chairman WALSH. Have you ever gone over the list to ascertain whether or not the law had been violated in reference to the enrollment of the men in the mine?

Gen. FARRAR. Only through—through consulting the officers in charge of that matter.

Chairman WALSH. Who were the officers who had charge?

Gen. FARRAR. I spoke to Gen. Chase, because he was the head and really the responsible party; I also talked with the assistant adjutant general, Col. Lee, and it is possible I may have talked to two or three other officers.

Chairman WALSH. Please state the conversation you had with Gen. Chase.

Gen. FARRAR. I asked him whether or not it was true that one or two organizations which were mustered in at Trinidad and Walsenburg were recruited from men who had formerly been employed as guards in mines. He assured me that he had given instructions that that class of men were not to be recruited, and, so far as he had any knowledge, the two organizations in question were not composed of this kind of men, except that he did find after an investigation that 11 men in the Trinidad organization—Troop A, I believe they call it—had been at some time or other employed as guards about the mine.

Chairman WALSH. Did you make any further investigation about that to find out whether any, as a matter of fact, had been enrolled, and that Gen. Chase did not know anything about or anything of that sort?

Gen. FARRAR. Only in the same line of investigation with reference to that Walsenburg company. I believe there was something like 13 men against whom specific objection had been made or were made by the labor unions, and also by the secretary of state at the time the pay rolls for the militia were considered by the auditing department having them in charge, and these men were all either in the Trinidad or in the Walsenburg organization.

Chairman WALSH. What steps, if any, have been taken by your office to investigate the occurrence of Ludlow of April 20, 1914?

Gen. FARRAR. I have taken every opportunity or every step which opportunity afforded me. As stated before, I did not have and have not seen the testimony—the evidence—taken by the military court-martial relative to that question, but I did, however, undertake an independent investigation of my own after the governor had directed me to assume the prosecution of these perpetrators of the crime arising out of this condition, particularly in Huerfano and Las Animas Counties. I went down and met the grand jury as soon as it was called, and spent myself considerable time with them. At that time there were charges being freely made of the Ludlow affair. And if I may, this will just take a little time and may save time to come back again.

Chairman WALSH. Yes.

Gen. FARRAR. Charges were also made and freely made by the strikers of violation of the law by the militia and in other respects by the authorities or officers of that county. These charges went further than that, and I believe the strike itself was called upon certain charges as to the violation of the law by the operating coal miners. More specifically the violation of the eight-hour law, the violation of the law with respect to checkweighmen, company stores, scrip, and similar things. These were specific charges or grounds for calling the strike. Now, as your honor has elicited from me, I have no authority to prosecute except under direction of the governor or the general assembly. Therefore, when the direction was given to me to take charge of the prosecution in those counties it was for the first time an opportunity to enter into the prosecutions of the crimes or any if they had been committed. I will state that in the summer of 1913, before the strike was called, I had occasion to go to Walsenburg to make some investigation there with reference to certain questions that were pending between the State and that county with reference to taxes and some other matters. I found at that time that the unions were organizing, and it was apparent that a strike would be called in the event that they received a sufficient number of men to go out.

Now, at that time a good many people there, as I afterwards found out to be more or less directly interested in the union, were making charges against the authorities. Charges were made against the sheriff, Jeff Farr. Charges were made against other officers there. I got in consultation with the district attorney, Mr. Hendricks, and I suggested a certain plan to him for the prosecution of these officers. He declined to do anything whatsoever, although he was avowedly in sympathy with the people that were opposed to Jeff Farr and was avowedly in sympathy with the people who were organizing the United Mine Workers in that district.

Now, later on, in October of 1913, after the strike had been declared. I went to Trinidad and Walsenburg in connection with the governor. This was before any militia were sent into the field. I felt at that time that if a definite and

vigorous prosecution was commenced against any offender that it might allay the situation and prevent further disaster. I saw the district attorney, and he declined absolutely to make a request upon the district judge for a grand jury. His words to me, in effect, were these:

"I am willing to prosecute; if they will bring me the evidence I will prosecute, but I am not going to turn myself into a detective agency for the sake of getting evidence; but if they will bring evidence in I will prosecute."

Now, then, getting back specifically to your question. When the grand jury convened I stated to that grand jury that they were called as an impartial body. I desire to say here that, regardless of the reports which have been made, I have never seen a more fair-minded body of men gathered together under conditions such as prevailed there than were the 12 men who constituted that grand jury. And the charges which have been made that they were absolutely one-sided and partisan are absolutely without foundation whatever. I stated to them that they were called together as an impartial body to prefer charges against any persons who may be thought to be guilty of the violations of the law, and it was our duty to investigate every charge of violation of the law, no matter by whom made or by whom committed. They agreed with me absolutely, and the plan was outlined that I should communicate to the strikers the fact that the grand jury was open for any complaint which they had to make and that we insisted that they should produce any evidence which they might have with reference to any violation of any law.

I returned to Denver before we commenced our formal work, and I notified Mr. John McLennan, the president of district 15, of this situation and told him that I insisted and that I demanded that if they had any evidence of violation of the law by any persons, or by any organization of any kind or any nature, that they should produce it before that grand jury, even evidence that might tend against the militia or the peace officers or any other officer of the State. He told me that he would communicate my demand to Mr. Lawson. Whether or not he did so I have not been able to learn, except that I understand and do know from reports made to me that this statement was communicated to Mr. Lawson through other sources. I called Mr. Horace Hawkins, chief attorney for the United Mine Workers, and made substantially the same statement to him, adding to it this: That in the event that the grand jury did not indict, and there was reasonable evidence, I would myself file an information, regardless of what action the grand jury would take, and would prosecute. Mr. Hawkins replied to me as follows: "Farrar, probably you do not intend it that way, but that is an insult."

A committee of the grand jury, headed by the foreman, went to Trinidad, to the union headquarters at Trinidad, and the same demand was made upon them there, but they got no specific answer. The same thing was taken up also with the local attorney for the union, Mr. Clark—Fred W. Clark—at Trinidad, and after a while we learned through Mr. Clark that the union would not present any evidence of any kind or character.

May I go a little bit further?

Chairman WALSH. Yes.

Gen. FARRAR. I have been endeavoring to get what evidence of the situation I could myself, but it was almost impossible to get any evidence, through the grand jury, out of any member of the union. While they did not openly refuse to testify, the few that were brought before the grand jury were very reticent to testify and gave practically no information upon those lines.

Now, then, if I may go further; my own investigation carried me a little further than that. It was apparent from the situation as it arose at that time that there was a joint conspiracy, which led to the burning of the mines above Aguilar; I refer to the Southwestern, Royal, Green Canyon, and the Empire, and the destruction of the property there; the attack upon Forbes; the attack upon the Chandler mine in another county; that is, in Fremont County; and the trouble which arose in Boulder County, and also the trouble which arose in Walsenburg; that there must have been some joint or common plan of action, and the work of investigation through the grand juries in the various counties has been directed toward finding out whether or not that was true. I have found out that there was a complete systematic organization which resulted in these attacks being made at practically the same time in four of the counties. I found that on the day, or two days, before the Ludlow incident, at least two automobile loads of ammunition were taken into that Ludlow camp by the strikers; armed men were taken from Canon City, or not Canon City, but Fremont County, below Canon City, into the Walsenburg district, and as

far south as Ludlow. Armed men were brought in from New Mexico, and after the Forbes battle, returned in numbers to New Mexico. Coupled with that, this significant fact, that about 10 days or 2 weeks before the Ludlow incident happened, and before the troops were withdrawn, Mr. John Lawson, sitting in my office, talking over the situation with me, made the statement relative to the miners in Las Animas County, that if they ever got a chance they would wipe the militia off the face of the earth.

I put it down as merely an idle threat. I had heard many more of like character; but coupled with the fact that the militia were ordered out of the district and had been gradually withdrawn until there remained only 42 men, and also the fact that the arms and ammunition were taken into that camp two days before, and considering also the fact that there were 35 men, one of whom was a crook, at Ludlow, at the time the fighting commenced, leads me to the conclusion that it is against all human probability that 35 men who had been ordered home and would have been home in the next two or three days, would have commenced an attack upon two or three hundred or more armed men amongst whom were Greeks, Servians, Roumanians, Italians, and Austrians—men known to be armed and men who were desperate—some being men who were brought back here, or did return here, from the Balkan War—men who had certificates, certain health certificates, from ship doctors in 1913.

Now, I desire to say further that my investigation in this thing has not been that of the military men; it has not been that of the governor of this State; but as attorney general. I want to be distinctly understood as saying that I entered office with the most kindly feeling toward the United Mine Workers. That feeling still exists as to many members of that union. There are men in it whom I know are honorable and upright; but I want to say that there are others who, in my judgment, can be characterized only by the term which I have used before, "anarchists." It is not an industrial situation you gentlemen are investigating. It has passed beyond that stage. It has reached the question simply of whether or not a government was going to be maintained in Colorado, or whether it was not going to be maintained.

Now, there are one or two other phases of this question I would like to speak about. Your question did not go directly to it, but possibly I will facilitate the matter—

Chairman WALSH (interrupting). You are covering my questions very well, and I will ask you to just go ahead. I had a number to ask you as to this conspiracy that you believed existed, but you can go ahead in your own way and state it.

Gen. FARRAR. Just let me add one or two more words there. Aguilar was practically dominated by the union, and it is to-day. After the Ludlow incident the troops returned to the field; and, by the way, this Ludlow situation occurred when Gov. Ammons was in Washington. I was also in Washington. Lieut. Gov. Fitzgerald was occupying the chair, and he ordered the troops back into the field. They returned, I believe, on the 24th, although of that I have no personal knowledge. Now, through some action or some influence that was brought to bear upon Lieut. Gov. Fitzgerald, he entered into a so-called truce, whereby he directed the militia to stop at Ludlow and go no farther south. Now, that left them tied up at Ludlow. As a matter of fact they were tied up at Ludlow. Aguilar is to the north, Trinidad is to the south of Ludlow. A vast number of armed strikers took possession of the city of Trinidad. They practically controlled it for some time. With the militia hung up, a reign of terror prevailed in Trinidad to such an extent that Fred W. Clark reported over the phone one night to Horace M. Hawkins, with whom I was in conference, that he, although attorney for the union at that place, was so fearful that violence was going to occur that he had just returned from taking his wife and babies into the basement of his house the minute before he answered the telephone call from Denver from Mr. Hawkins. On one day down there the strikers notified the people of the First National Bank to be out of that building in 30 minutes or it would be blown up. I do not know whether they got out or not. But strikers kept congregating in the city of Trinidad.

Now, then, they made an attack from Aguilar upon four mines, that many at least—the Royal, the Green Canyon, the Empire, and one other, I don't recollect just now. Now, with the destruction of those four properties and several persons killed, they looted the houses of the men working there and of the mine officials, and the furniture, household goods, and all sorts of things which they

could find in the houses were hauled by the wagonload out of those camps down to Aguilar where some of it still remains.

When they made the attack upon the Forbes mine—I am not sure whether it was the 26th or not—there were no militia there. They came along the ridge above the camp, appearing at daylight, probably several hundred of them. There were no mine guards with the exception of two or three employed as guards, although I believe that certain workmen in the mine were detailed in the night to act as guards, word having been received that the attack would be made. It was snowing, and they finally took the camp, killing, I believe, eight men in the camp. But the point is that they dragged women and children out of their beds in a snowstorm and started them out barefooted in their night clothes down the canyon. I am speaking advisedly. They pulled mattresses off the beds, put them in the middle of the floors, jerked the lamps down and emptied the kerosene on these mattresses and set them on fire, wantonly burning house after house. There were no militia there; there were no deputy sheriffs there.

Now, on the 26th they made the same sort of attack on Candler, in Fremont County, the attack covering two days. There were no militia in that county whatsoever. They followed the same tactics there; went through the camp breaking in the doors and stealing the valuables out of the houses. I speak advisedly when I say this. All throughout those four counties this movement was simultaneous. Ammunition had been taken by load after load from Denver. Men, as I stated, came in from the south from New Mexico. Ammunition was taken even from Denver north to Louisville and Lafayette. So I have contended and do maintain that there was a general State-wide conspiracy which brought about an attack at a time which was very advantageous for them, the governor being out of the State and the militia having been withdrawn and being more or less disorganized. I believe that answers the question.

Chairman WALSH. That was in 1914—in what month? Commissioner Ballard wants to know in what month that occurred. It was in the month of April, as I understand.

Gen. FARRAR. Yes; April.

Chairman WALSH. 1914?

Gen. FARRAR. Yes, sir.

Chairman WALSH. And immediately following the Ludlow incident?

Gen. FARRAR. Yes, sir.

Now, I desire to call attention to another point which I did not emphasize. This truce had been entered into and was supposed to be a fact, and the militia were held up by reason of this truce. I can not understand why a truce should be made with anarchy, but it was made.

Chairman WALSH. Do I understand that under the law you do not take part in prosecutions in the counties of the State, or make investigations, unless directed by the general assembly or the governor?

Gen. FARRAR. There are one or two laws—

Chairman WALSH (interrupting). Briefly, what are the exceptions? Do they affect the industrial situations?

Gen. FARRAR. They do not; no. They affect trust questions. There is the general law and there are one or two exceptions in specific statutes.

Chairman WALSH. Then it is not your duty to make any investigation as to whether or not the election laws are obeyed in the counties of the State, or whether political corruption exists, or improper influences are brought to bear, or not?

Gen. FARRAR. Well, I did make such an investigation; whether my duty or not, I made it.

Chairman WALSH. In what county?

Gen. FARRAR. Las Animas and Huerfano; particularly Huerfano.

Chairman WALSH. When did you make it?

Gen. FARRAR. That was made as I stated, on my first trip down to Walsenburg, after I was inaugurated. Early in 1913, early in the summer, I believe, I made a partial investigation in that regard.

Chairman WALSH. Was it after the Ludlow incident?

Gen. FARRAR. Oh, no it was the year before.

Chairman WALSH. The year before?

Gen. FARRAR. Yes, sir.

Chairman WALSH. In what month?

Gen. FARRAR. I can not recall the month.

Chairman WALSH. Did you make a personal investigation?

Gen. FARRAR. Yes, sir.

Chairman WALSH. And what did you ascertain, briefly, as to the condition there so far as the political control was concerned—alleged political control by the company?

Gen. FARRAR. I found a very perfect political machine, just as much a machine as Tammany in New York, as I have any knowledge of it; just as much of a machine as you will find in any of the places where a great many voters are susceptible to an organization of that character. I found that the head of this political machine is the sheriff, and that it was carried along lines very similar to those maintained in Tammany; that is, it had a system of relief in cases of need, had a system of giving rewards to its people, and I think, briefly speaking, the term "machine" covers the situation, just such a machine as you people may have in your own States or your own cities. Certainly, it was a machine.

Chairman WALSH. Did you ascertain from what source money came to assist in organizing and maintaining it?

Gen. FARRAR. I was not able to place that definitely. I believe that the machine probably—well, I can not say that it existed with the help of the coal companies; I believe, rather, it existed through its power as a machine over the coal companies. That is, I can not be sure which was cause and which was effect; but there was undoubtedly some relationship between the two. But whether or not any money was ever used, I have absolutely no knowledge at all.

Chairman WALSH. Is there a law in this State which prevents or prohibits the use of money by corporations in elections?

Gen. FARRAR. Not that I recall right now, Mr. Walsh.

Chairman WALSH. Did you ascertain whether or not the result of the work of this machine was to control the actions of coroners' juries in cases where death resulted from accidents in the mines, and also to control the actions for damages, for personal injuries, that might be brought in the courts of those counties?

Gen. FARRAR. No; my investigation did not lead me into that at that time, and particularly with reference to coroners' inquests—at that time no suggestion was made with reference to that.

In fact, Mr. Walsh, my investigations were made largely from this standpoint and probably incidental to it. I am a Democrat; that organization was Republican; and for a good many years my party had been complaining of the control which they had over that county, and I went down there as a Democrat to try and work the thing out from a Democratic standpoint; and the evidence did not come to me from the industrial standpoint whatever at that time.

Chairman WALSH. This was purely an investigation from the standpoint of politics?

Gen. FARRAR. Well, that phase of it was; yes.

Chairman WALSH. Did it come under your jurisdiction to make an investigation as to whether the mining laws of the State were being obeyed?

Gen. FARRAR. No; it did not. And, as I stated before, upon the occasion of my being directed to go into those counties that was the first time in which I had any jurisdiction to prosecute for that trouble or for that cause, if any existed. Never before had I had the opportunity, and I was anxious to see that there should be a full and complete investigation on that occasion. I got nowhere with it.

Chairman WALSH. Now, unless you have some statement you desire to make yourself, General, you will be excused.

Gen. FARRAR. I have one other specific one.

When the troops were ordered into the field on the 28th day of October, 1913, the order having been made along about midnight the night previous, I was not present. For some reason the governor did not call on me that night, but he sent a letter of instruction, one of which was to the effect that the militia should permit all striking miners to return to work who desired to go to work, and to give them protection; and that until otherwise ordered no strike breakers should be brought into the field. Now, it is a significant fact that just as long as that order maintained the militia were indirectly aiding the strike. Striking miners came to me and commented most favorably upon the conduct of the militia in the field. Reports came to me that they were playing ball together, they fraternized together, and everything was lovely. But that order of the governor was untenable, except as an absolute military necessity; that is, that it would be an absolute necessity to keep strike breakers out in order to maintain order. There was also a practical question involved, and that was that coal was prohibitive both in price and in supply. Winter was coming on and coal was selling here—and I mean lignite coal, such as we

produce—at from \$9 to \$10 per ton and could not be procured in sufficient quantities at that price, and every industry depending on coal was in a serious condition.

I told the governor that the operators had a property right in their mines which they were entitled to enjoy; that men had a right to work; and that his position was tenable solely upon the ground that it was absolutely an imperative necessity in order to maintain order. I understand my view was not shared by Senator Patterson, but I will give you my views for what it is worth. The governor, therefore, modified that order and men were allowed to go to work. When he modified the order he gave specific directions that the militia should see that the men brought to the mines to work were previously informed that a strike was in progress, and so far as I learned the militia required in every instance that that should be done. They gave the men brought in to work safe conduct to the mines and the production of coal was resumed by the mines. From the minute that the order was changed the relationship between the militia and the strikers changed also, and the strikers began to abuse the militia and continued to abuse them from that moment on.

Now, in January the conditions over at Oak Creek, in Rout County, had become acute. So far as I had information, neither the Colorado Fuel & Iron Co. nor the Victor-American Co. or the other large company operates over there. It is a small company that operates over there. I may not be correct, but it is my understanding. Trouble had occurred and become somewhat intense and the citizens had become somewhat impatient. They organized, I am informed, about 1,000 men for the purpose of seeing that conditions were restored to their normal state over there, and they gave a number of agitators in that strike so many hours to get out of town. That was largely brought about through several going to the town of Steamboat Springs and starting up agitation there. One by the name of Stiner, or Stinehart, is reported to have said—and I got this report from good authority—"I am not an American citizen; I owe allegiance to no country. The United States is the worst country on earth," and then he used an expression relative to the American flag that I can not quote in evidence in public. That was the last straw that broke the camel's back, and they were given by the people a certain length of time to get out.

At this time the strikers were bitterly assailing the militia in the southern field, and on Sunday, January 4, 1914, the governor called me in the afternoon to come to his house because he was fearful that serious trouble would occur at Oak Creek. I went to his house and while I was there, Mr. Ed. J. Doyle, who has testified here, and some other man, who had been called an agitator and had been told to leave Oak Creek, came to the governor's house. Mr. Doyle came and told of the situation over there, that they had organized the citizens and they were going to drive the union miners away from Oak Creek, and he demanded that the governor protect them. I said, "Mr. Doyle, what do you mean?" He said, "I want protection." I said, "Be specific, what do you mean when you say you want protection?" He said, "I want our men's lives and property protected over there." I said, "Do you realize that the only thing the governor can do is to send troops over there for that purpose? Do you ask that troops go over there?" He said, "We want protection." I said, "Let us understand each other; the only thing the governor can do is to send troops over there. Do you want that?" He said, "I demand protection." And the next day a company of militia was sent to Oak Creek at the specific request of the union, who ever since have been complaining that the militia were abusing them every day.

I think that is all, Mr. Chairman, unless you have some other questions to ask.

Chairman WALSH. I have been asked to ask you this question—and we have but very little time: Was the terror in Trinidad caused by the fear that the militia would come on from Ludlow, in your opinion?

Gen. FARRAR. The terror was caused—was because of the striking miners who had possession of the town and were patrolling it with armed bodies of men up and down the streets day and night and the militia was hung up at Ludlow.

Chairman WALSH. Is it not a fact that a week after the Ludlow battle, Trinidad, which was absolutely in control of the strikers, was about the only peaceable town in that district?

Gen. FARRAR. It is not.

Chairman WALSH. Did Judge Northcutt help conduct the Trinidad grand jury, or what part did he take in it?

Gen. FARRAR. He was called as a witness.

Chairman WALSH. And took no other part in it?

Gen. FARRAR. No; but I consulted him privately from time to time about that and some other matters of which he had knowledge.

Chairman WALSH. I am asked to inquire of you if you know about the looting of saloons and the destruction and confiscation of liquors in the Snodgrass store at Ludlow, also the complete destruction of bakeries, rooming houses, and private residences at Ludlow by the militia?

Gen. FARRAR. I know nothing of it.

Chairman WALSH. You have no information in regard to the matter?

Gen. FARRAR. No.

Chairman WALSH. That is all, General.

Mr. Northcutt.

#### TESTIMONY OF JUDGE JESSE G. NORTHCUTT—Recalled.

Judge NORTHCUTT. Before beginning your interrogatories, I want to make a correction.

Chairman WALSH. I am not going to interrogate you further, but I am going to say that the commission has concluded to sit here all day and has a different program; and you would not have been recalled but for the fact that Commissioner O'Connell wants to ask you a question or two. I am compelled to restrict this redirect examination, as you might call it, to 20 minutes.

Judge NORTHCUTT. I will object to his questions if you will sustain my objections.

Chairman WALSH. I will cooperate with you in restricting it to 20 minutes.

Judge NORTHCUTT. One correction I want to make which was suggested to me yesterday afternoon. It was that in introducing the pamphlet which I introduced here, I denominated it "American Citizen." If I did so, I want to substitute "Armed Citizen" for "American Citizen."

Chairman WALSH. You did say, "American Citizen"; I remember it.

Judge NORTHCUTT. The paper itself showed "Armed Citizen."

Mr. Osgood went on the witness stand and explained about the houses in the camps; that the houses constructed by the companies and rented to the men were of a substantial, comfortable character; that some of the people constructed shacks which they owned themselves. In corroboration of that I hold in my hand a number of photographs which I shall introduce in evidence.

Chairman WALSH. Hand them to the messenger, please.

Judge NORTHCUTT. I will do so.

(The witness submitted 31 photographs of dwellings, churches, schoolhouses, boarding houses, and mining camp views.)

These likewise show the character of the schools in the camps and the churches. Rev. James McDonald testified as to the absence of churches. You will see some substantial churches.

Just one word in addition to what Gen. Farrar has told about the terror prevailing in Trinidad, when occupied by the strikers. It will be observed that the strikers had marched from the Black Hills east of Ludlow 12 or 15 miles to Trinidad and took possession of it. They occupied as headquarters for some time a hall called Castle Hall in Trinidad, and from this hall floated a Greek flag, which was there for some days and until the approach of the Federal troops, when their leaders told them they would have to take it down, because the Federal troops would not allow it to remain. They got quite indignant, but removed it. They had a tent colony or tent city out on the old ground previously occupied by the militia. I believe that is all I have to say in regard to that.

Commissioner O'CONNELL. Judge, you have got me up a tree as to what your position is as to the rights of organized labor. In your testimony of yesterday you read into the record a number of circular letters, actions of various kinds of the United Mine Workers' organization, its international officers, going back for several years, to show that, or to substantiate a later statement made by you—that the United Mine Workers were responsible for all of the struggle and strike in Colorado?

Judge NORTHCUTT. That is substantially correct, and I reiterate it.

Commissioner O'CONNELL. It is boiled down in this one sentence [reading]:

"Now, I have stated and reiterate that the cause of the present strike is the effort of the United Mine Workers of America to organize the coal fields of



Colorado, and I think that is given out or corroborated by their declarations from their own organization."

Am I to understand that it is an unlawful act for the United Mine Workers of America to come into Colorado in an effort to organize the miners working in Colorado?

Judge NORTHCUTT. You ask me if it is unlawful?

Commissioner O'CONNELL. Yes.

Judge NORTHCUTT. It is not.

Commissioner O'CONNELL. Am I to understand that it is your position that the organization of the mine workers in Colorado having members of the United Mine Workers not citizens of the State of Colorado is a violation of the laws of Colorado?

Judge NORTHCUTT. It is not.

Commissioner O'CONNELL. Am I to understand, then, from the expression contained here in the minutes, that you think the best interests of the mine workers of Colorado is served or would be served by the United Mine Workers of America keeping out of the coal fields of North America?

Judge NORTHCUTT. Well, I had expressed no opinion upon that subject, but if you wish my opinion upon the matter, gentlemen, it is this: That no set of men and no institution can be benefited by the methods pursued by the United Mine Workers of America. If you will observe, in every State in which they have operated, so far as my reading carries me, they have pursued the same methods that they have pursued in Colorado. The cases which have gone to the courts of last resort, in which they have passed on, which grew out of strikes inaugurated and conducted by them, disclose a state of facts precisely similar in character to their conduct in Colorado. Take the case reported in the 64th Southwestern that went up to the Supreme Court of Kentucky, and the "Shorttoll" case. The Kentucky case, I think, was the case of *Lindell v. Commonwealth*, and there was a case in West Virginia, and in every case that has come to the supreme court growing out of strikes conducted by the United Mine Workers of America, the reports abound in details of violence and bloodshed. People in America ought not to be permitted to conduct their affairs in that shape.

Commissioner O'CONNELL. Then I take it from the testimony that you do not wish to convey the idea that the mine workers were not within their rights in coming into Colorado and attempting to organize the mine workers in Colorado?

Judge NORTHCUTT. It has been decided time and again, by the courts in the United States, State as well as Federal, that employees have the right to organize labor unions, and that they have the right to strike to enforce their demands.

Commissioner O'CONNELL. I will get to that in a minute. The laws of Colorado, as I understand, provide that an employer can not discriminate or discharge a man because of his membership in a union?

Judge NORTHCUTT. Correct.

Commissioner O'CONNELL. Then, the reverse of that must be true, that they have the right to organize?

Judge NORTHCUTT. No one disputes it; I never did.

Commissioner O'CONNELL. Now, if they have the right to organize they also have the right to strike?

Judge NORTHCUTT. Yes; there is no question about that.

Commissioner O'CONNELL. Then, the mine workers, in passing resolutions, either at their national convention or district convention or by any means best suited to themselves, and deciding that there should be a strike of the miners in Colorado, were within their perfect right in doing it?

Judge NORTHCUTT. They committed no crime in doing so. It is not the ordering of a strike that constitutes a crime, but the accumulation of arms and ammunition and the gathering together of lawless men to go out and burn and kill; that is where the crime lies, and these people have never disputed it, and they have had numerous opportunities to dispute it.

Commissioner O'CONNELL. In your testimony of yesterday you gave evidence as to the treatment of Gen. Chase, particularly favorable to the men who struck. Have you in mind any particular case or instance in which he showed any special consideration for the men on strike?

Judge NORTHCUTT. Well, when he came there he was very free to confer with the leaders of the strike, which was proper. And when he went to get their arms his conduct was very different from his conduct in disarming the

guards. He required the guards of the companies to deliver up their arms, which they did. The strikers treated him with utter contempt, and he very resignedly accepted the situation. I certainly regarded that as a great favor.

Commissioner O'CONNELL. That is what you had in mind when you said he showed the strikers great consideration?

Judge NORTHCUTT. Yes; and I don't think the strikers will deny that they looked on the military as their friends.

Commissioner O'CONNELL. Do you know anything of the officers of the strikers entering into an agreement with Gen. Chase, or anyone else, to have the strikers turn over their arms which they had?

Judge NORTHCUTT. I only have Gen. Chase's word for it, I do not vouch for the truth of it. He said that Lawson had promised him to turn over the arms of the strikers, or have the strikers do it. That is my recollection. You might ask him, I may be mistaken about it.

Commissioner O'CONNELL. You cited and pictured for the commission in a most dramatic manner—

Judge NORTHCUTT (interrupting). Thank you.

Commissioner O'CONNELL. The killing, wounding, and shooting of people during this trouble. I note you did not make any mention of the killing of Louis Tikas. How was he killed?

Judge NORTHCUTT. I thought there had been enough said about that. I do not know anything about it excepting what I have heard here from the witness stand. I was not there.

Commissioner O'CONNELL. Is it a violation of law or ethics for a militiaman to kill a prisoner?

Judge NORTHCUTT. I should think so. It is a violation of law to kill any person excepting in self-defense.

Commissioner O'CONNELL. Do you understand that Tikas was a prisoner at the time he met his death?

Judge NORTHCUTT. I know nothing about it excepting what I have heard related here. I presume he was. I think Lieut. Linderfelt said he was a prisoner.

Commissioner O'CONNELL. Did you hear Lieut. Linderfelt's testimony?

Judge NORTHCUTT. Yes, sir.

Commissioner O'CONNELL. Did you hear him say that he had declared martial law?

Judge NORTHCUTT. He said something about that, I do not recall his exact language, but he said he promulgated the declaration of martial law.

Commissioner O'CONNELL. Do you think it was within the authority of a man employed as a guard for a coal corporation even though a member of the State militia, which had not yet been called out, to declare martial law?

Judge NORTHCUTT. Well, I would certainly want to know all of the circumstances before I approved of that sort of action; but the mere fact that he may have been active as a guard for a coal company would not obviate or destroy any authority he might otherwise possess to declare martial law. If the governor of the State happened to be acting in that capacity and the circumstances justified a declaration of martial law, he certainly could so declare it. Also if Linderfelt likewise possessed the authority, he could so declare. I do not think the proclamation has much to do with the proposition, anyhow.

Commissioner O'CONNELL. The governor would then simply designate a certain individual at a certain place to declare martial law, regardless of whether the militia of the State had been ordered out or not?

Judge NORTHCUTT. That is in this case certainly an academic question, because nothing of the kind was done. The governor did not designate anybody that I know of.

Commissioner O'CONNELL. You did hear Linderfelt say that he had declared martial law?

Judge NORTHCUTT. I take it he merely promulgated what he understood to have been previously declared. That is the way I construed his testimony, not that the declaration emanated from him in the first instance, but I take it his testimony meant, and in fact that is the way I remember his testimony, that he had been advised by his superior officer that martial law had been declared and he gave out the evidence of it. That is my recollection of his testimony, and if he so understood it, even though mistaken, he was not acting improperly. Even though he might have been illy advised or erroneously advised, he is not to blame for inaugurating the order which he understood to exist.

Commissioner O'CONNELL. Then, he might assume then and take it for granted that he was mistaken to say to the courts of these counties, "I am the law," and to the citizens of the county, "You must obey me," and state afterwards that he was mistaken?

Judge NORTHCUTT. He never did that, and I do not see the propriety of hypothecating any question upon it.

Commissioner O'CONNELL. I think the testimony will show that was his position.

Judge NORTHCUTT. Perhaps.

Commissioner O'CONNELL. During your discussion you spoke about the necessity of a law to prevent a recurrence of the things that have taken place.

Judge NORTHCUTT. More the propriety than the necessity of it.

Commissioner O'CONNELL. I suppose you have in mind that if Colorado or the National Government had laws, for instance, that created a board of mediation, conciliation, or arbitration, or something similar to that now in practice now in railroad service, that the corporations, the coal corporations of Colorado would come in and act in accordance with such laws?

Judge NORTHCUTT. I have not the slightest doubt but what the coal operators of Colorado will obey any law enacted by legally constituted legislative bodies having jurisdiction over the territory where they operate. I have serious doubts, however, as to the other parties obeying it. That has been the answer that always presents itself to me when we talk of compulsory arbitration and tribunals to adjudicate these labor troubles. What is the use of legislating for people that won't obey the laws as they exist?

Commissioner O'CONNELL. Let us see if we can not confine it to the side we are discussing and get the other fellows after a while. Do you think, yourself, that such a law or regulation as would require that a board composed of a number of reputable citizens, to be appointed by the President of the United States, to bring people together, would be in the direction of future peace and for the benefit and prosperity of the country generally?

Judge NORTHCUTT. Of course it is mere prognostication, any opinion I might express in the matter. I do not think that an experiment of that kind would hurt anything, and it might do some good. I have long entertained the idea that some law ought to be enacted to prevent changing conditions as they exist in the labor field without first appealing to some tribunal either now in existence or to be designated to adjust the matter. To illustrate very briefly: Before an operator could reduce wages he might be required to give notice to his employees that he intended to so reduce wages, and if they objected to that, let them specify, in some properly designated way, their objection, and let the tribunal investigate the matter and thrash it out, very much the way they do now rate questions and things of that kind. If the laborers desire a raise in wages and can not get it upon application, let them appeal to the tribunal and have the matter investigated. I have long thought that some proper method of that character was worthy of consideration and might be evolved.

Commissioner O'CONNELL. Do you know Jefferson B. Farr?

Judge NORTHCUTT. I am acquainted with the gentleman.

Commissioner O'CONNELL. What is Mr. Farr's standing in the community where he is sheriff?

Judge NORTHCUTT. Very good.

Commissioner O'CONNELL. What is his financial standing?

Judge NORTHCUTT. I think Mr. Farr is well fixed financially—he is substantial financially. He is not rich and he is not poor. He owns quite a lot of irrigated land and reservoirs and canals and some cattle—just how many I don't know—and some bank stock. The tangible property that is in sight is of considerable value. I do not know how much he owes, if anything.

Commissioner O'CONNELL. Do you know of the corporation that he is president of? I think he said the corporation that owns buildings and property?

Judge NORTHCUTT. The mercantile company?

Commissioner O'CONNELL. Yes.

Judge NORTHCUTT. Well there is a realty company.

Commissioner O'CONNELL. That is the one I refer to—incorporated for \$50,000.

Judge NORTHCUTT. It is a speculative company, and he owns one-fourth of the stock in that, and it owns quite a number of town lots and, I think, some buildings.

Commissioner O'CONNELL. Do you know his method of carrying on the liquor business in that county?

Judge NORTHCUTT. Well, there are two mercantile companies there, one called the Spanish Peaks Mercantile Co. and the other the Good Night Mercantile Co. One of these companies, I am not sure which, owns some—one or two—saloons and probably is interested in the wholesale liquor business and, I think, is the agent for some brewery.

Commissioner O'CONNELL. Have you ever heard as to the method or kind of leases that he makes with his tenants as to the requirement that they shall deal with his mercantile company or wholesale house?

Judge NORTHCUTT. I never heard of that until it was mentioned here yesterday. I do not know that I see any impropriety in it.

Commissioner O'CONNELL. Is it generally rumored in the county that he controls the wholesale and retail saloon business?

Judge NORTHCUTT. I never have heard of that, except upon an occasion now and then when some fellow is dissatisfied with the courts and makes application for a change of venue from the county or something. He then sets up a great story about Farr controlling the county through his liquor interests; but that is about to end and can not be maintained much longer, if true—and I do not think it is true.

Commissioner O'CONNELL. The charge is also made that the political party that does not meet with your approval can not secure halls in which addresses are to be made, and that Farr looks after this.

Judge NORTHCUTT. Farr is a Republican and has been in the Republican Party ever since I knew him. That is likewise the party with which I have been affiliated up to a few years ago, when I made some change for my own reasons.

Commissioner O'CONNELL. Farr was on your ticket last year?

Judge NORTHCUTT. He was in 1914.

Commissioner O'CONNELL. I suppose, of course, fathered by the Republican Party as such, with the rest of the candidates?

Judge NORTHCUTT. Yes, sir.

Commissioner O'CONNELL. Is a good citizen and perfectly qualified for the position?

Judge NORTHCUTT. Yes; he is one of the best officers in the State of Colorado.

Commissioner O'CONNELL. Perfectly humane?

Judge NORTHCUTT. Yes, sir; and as far as I know he is a man of generous nature and a companionable fellow and a moral man. I do not think anyone would raise any question as to Mr. Farr's morals. It is true that he is interested in the liquor business. Up to date it has been a legitimate business under the laws of Colorado, and many good people are interested in it directly or indirectly.

Commissioner O'CONNELL. Among those photographs you have handed up, you speak of churches and other things. I find a picture of just one church.

Judge NORTHCUTT. I think there are two or three more.

Commissioner O'CONNELL. Have you any idea of the number of churches in these coal camps and the denominations of them?

Judge NORTHCUTT. Yes; it is very general, too, and not very specific. I think that in practically every coal camp of any size there is at least one church, and the most of them are Catholic churches, very properly so, as the employees are, a very large percentage of them, of the Catholic faith. There is a large Catholic denomination in our country. There is a large church in Trinidad and that is the parish residence, and there must be five or six priests living in Trinidad and they go out to these various mining camps. They are very energetic and faithful to their duty and do a great deal of good, undoubtedly.

Now, whether there are churches of the Protestant denominations in any of those camps, I do not know. Undoubtedly there are persons here who do know, and I think it would be well that the record should show it.

Commissioner O'CONNELL. Is there any effort made that you know of to discourage the attendance of miners at the churches or other places of public gathering where they might get together?

Judge NORTHCUTT. Absolutely none. On the contrary, I am advised that one of the coal companies, the Colorado Fuel & Iron Co., has what it terms a welfare department and devotes a great deal of attention to church work. They have inaugurated Sunday schools in their camps, and sermons are delivered every so often. On the contrary from discouraging it, I don't know how much they encourage it. I believe the executive officers of the companies, so far as I know them, are church people, perhaps not all of them.

Commissioner O'CONNELL. Did you hear the testimony of Rev. James McDonald?

Judge NORTHCUTT. I did.

Commissioner O'CONNELL. Whose testimony would indicate that everything was done to prevent the success of his efforts, his mission, and his Sunday school?

Judge NORTHCUTT. He is like every other man who is a failure in life, he is disgruntled. If you will read his cross-examination at the congressional investigation I think the reason for his statements are there disclosed.

Commissioner O'CONNELL. Is he disgruntled with social affairs, or in what way would you imply that he was disgruntled?

Judge NORTHCUTT. Apparently with his surroundings. In his testimony previously referred to he condemned some of the officials of Las Animas County, the school superintendent in particular, and when it came to ascertaining the reason for it, it was found that he had applied for a teacher's certificate, and applied for it without taking the examination, which the superintendent could not lawfully grant. That was the foundation for his antipathy to the school superintendent and to the schools, undoubtedly.

Commissioner O'CONNELL. Am I to understand from your testimony, Judge, that it is possible to obtain justice for the rich man and for the poor man alike in these counties represented in these mining districts?

Judge NORTHCUTT. I think it is a possibility; yes, sir.

Commissioner O'CONNELL. Is it your opinion that such has been the case?

Judge NORTHCUTT. Well, I certainly could not answer in the negative because I can not point to any specific instance in which any person has been a victim of an injustice. There may have been such and likely, if my attention were called to it, I would recognize it, but I do not have in mind any such instance.

Commissioner O'CONNELL. Do you think the testimony offered to this commission of the number of deaths that have occurred in the mines and the fact that so few cases have been brought before the courts, would indicate that it is in the minds of the operators mining in these counties that justice can be obtained in the courts?

Judge NORTHCUTT. Well, I probably has not been disclosed to the commission, and it ought to be, that nearly all of those deaths which took place in what you may term a wholesale manner,—that is, as a result of explosions, were adjusted by the companies.

Commissioner O'CONNELL. As they have apparently been adjusted, from the list we have, on a \$300 basis.

Judge NORTHCUTT. Those that I know anything about were much more than that.

Commissioner O'CONNELL. In one case the company was held responsible. The rest were settled.

Judge NORTHCUTT. On this subject of protection, and so forth, the men are not so poor in that regard as you may think. Nearly all of these foreigners who work in the mines of Colorado have the protection of their Governments on matters of that character. In fact, anything they complained to their consuls about, they will get relief.

Commissioner O'CONNELL. I am using the terms "rich" and "poor" in a general sense.

Judge NORTHCUTT. Of course, we all know the benefit of money in litigation or anything else. You can get the best counsel and—

Commissioner O'CONNELL (interrupting). When you were on the bench, did any cases come before you in the matter of claims for accidental death?

Judge NORTHCUTT. Some few. I recall one case now, Sunberg against the Union Coal & Coke Co. Mr. Hendricks brought it, and it was tried. I do not have now in mind the title of other cases, yet there were evidently some suits.

Commissioner O'CONNELL. Is the present circuit judge a law partner of yours?

Judge NORTHCUTT. He was.

Commissioner O'CONNELL. But not now?

Judge NORTHCUTT. Certainly not.

Commissioner O'CONNELL. He was when elected?

Judge NORTHCUTT. Yes.

Commissioner O'CONNELL. How long after did you dissolve your partnership?

Judge NORTHCUTT. I think probably we dissolved our partnership relations the 1st of December, 1912. He was elected in November, 1912, and the following month we closed our affairs, and he left the office. The district judges in this State are not permitted to practice law at all.

Chairman WALSH. You will be excused, Judge.

## TESTIMONY OF MR. JOHN R. LAWSON.

Chairman WALSH. What is your name, please?

Mr. LAWSON. John R. Lawson.

Chairman WALSH. What is your full name? What does the R. stand for?

Mr. LAWSON. Rankin.

Chairman WALSH. John Rankin Lawson?

Mr. LAWSON. Yes.

Chairman WALSH. What is your age?

Mr. LAWSON. Forty-four years old the 5th of next March.

Chairman WALSH. How long have you lived in the State of Colorado?

Mr. LAWSON. Nearly 20 years.

Chairman WALSH. Where did you live before you came to Colorado?

Mr. LAWSON. In Pennsylvania.

Chairman WALSH. Where were you born?

Mr. LAWSON. In Schuylkill County, Pa.

Chairman WALSH. Are you of American parentage?

Mr. LAWSON. No, sir; my parents were Scotch.

Chairman WALSH. What business was your father engaged in?

Mr. LAWSON. Coal mining.

Chairman WALSH. What business have you been engaged in all your life?

Mr. LAWSON. Coal mining, principally.

Chairman WALSH. Please state briefly to the commission your experience from the time you went into business life up until the present time, I mean the positions you have occupied?

Mr. LAWSON. Well, I have occupied a number of positions, in fact, I think nearly every position in the coal-mining industry up to mine foreman.

Chairman WALSH. At what age did you go to work in the coal mines?

Mr. LAWSON. I went to work in a coal breaker, an anthracite coal breaker, when I was 8 years of age.

Chairman WALSH. Have you been continuously in that industry ever since?

Mr. LAWSON. Yes, sir; excepting a brief period of time.

Chairman WALSH. Describe where you worked and your duties briefly?

Mr. LAWSON. I worked first in the anthracite coal breakers in and around Mount Carmel, Pa. I also worked in the mines there in various capacities, and as a coal miner. I left Pennsylvania and came to Oregon and worked in the coal mines there, and went from Oregon to Wyoming and worked in the coal mines at Rock Springs, Wyo., and then went from there to Walsenburg, in this State, and worked in the Walsen mine. From there I went to the western slope around Newcastle, and worked in the mines in that field the most of the time until 1905, when I was elected a member of the international executive board of the United Mine Workers of America.

Chairman WALSH. What have been your duties in that capacity?

Mr. LAWSON. Representing the miners on the international district board, the miners of district 15, I meant to say, and as an international organizer.

Chairman WALSH. Are you married or single?

Mr. LAWSON. Married.

Chairman WALSH. You reside in the city of Denver, do you?

Mr. LAWSON. Yes, sir.

Chairman WALSH. Whereabouts?

Mr. LAWSON. 4652 York Street at the present time.

Chairman WALSH. Please give us a brief account of your connection with the Colorado strike from its inception to the present time.

Mr. LAWSON. Mr. Chairman, on account of the fact that my counsel has advised against my talking about the southern situation concerning the coal strike, I have prepared a document here for the purpose that it may be thoroughly understood, and that it can not be misconstrued, and with your kind permission, I would be glad to read it to the commission.

Chairman WALSH. You may proceed to do so.

Mr. LAWSON (reading):

"DENVER, COLO., December 16, 1914.

"To the Commission on Industrial Relations:

"I have pending against me in the courts of Colorado 19 specific charges, ranging from conspiracy in restraint of trade to murder in the first degree, and including arson and assault to kill, and I am as innocent of any crime against

the laws of my State or Nation as any individual sitting upon this bench listening to me here to-day.

"Down deep in the hearts of my persecutors they know that I am guilty of no crime, unless it be that I am a coal miner, having been honored by my fellow workmen in selecting me to represent them on the International executive board of the United Mine Workers of America.

"The records of the State and Federal courts of the Nation bear witness to the power of John D. Rockefeller to destroy the property, character, and even the lives of those who oppose him in his mad pursuit of wealth. For these reasons, by the advice of my counsel, Mr. Horace N. Hawkins, who is now engaged in the trial of a case at Canon City, I must decline to answer any questions whatsoever bearing upon the incidents leading up to and during the strike in the southern coal fields, although it was my sincere wish to fully and freely do so.

"I have this message, however, which I desire to communicate to President Wilson through the medium of this commission: I would most respectfully direct your attention, Mr. President, to the record of the hearings of the commission on Industrial Relations in the city of Denver, for undeniable proof of the fact that there is but one human being responsible for the deplorable conditions in the coal industry of the State of Colorado—Mr. John D. Rockefeller, sr. Fortunately, this assertion is not based upon any statement that can be contradicted or denied, for the evidence is found in the correspondence between 26 Broadway, New York, and J. F. Welborn, Mr. Rockefeller's agent in Colorado.

"When you, Mr. President, submitted your suggestion for a settlement of this industrial conflict, which has agitated our State and has awakened the conscience of the Nation, every citizen in the land, save Mr. Rockefeller alone, construed it as a command from the head of the Nation. The reply came, ostensibly from Denver, but as now fully exposed before this commission, was in reality from 26 Broadway, New York. I quote from the letter of Mr. Starr J. Murphy, the personal representative of John D. Rockefeller, sr., and the reply from Mr. J. F. Welborn, as showing the trick that was played upon you by Mr. Rockefeller, and the deception which they practiced upon the American people, viz:

"26 BROADWAY, NEW YORK,

"September 15, 1914.

"DEAR MR. WELBORN: I have taken the liberty of sending you, merely by way of suggestion, a draft of a proposed letter from you as president of the Colorado Fuel & Iron Co., to President Wilson, which embodies my personal view of what it would be proper to say in case it should seem wise for our company to make a separate reply to the President's letter.

\* \* \* \* \*

"STARR J. MURPHY."

"And the reply, as follows:

"DENVER, September 18, 1914.

"MY DEAR MR. MURPHY: I am very thankful for your kindness in writing me on the 15th instant, and sending me draft of the proposed letter to the President. \* \* \* I think you will find that our letter, a copy of which I am inclosing, contains all of your ideas, with two exceptions. \* \* \* But for Mr. Lee's presence here, and the invaluable assistance he has rendered in the preparation of our reply, I should have gone to New York for consultation with you, and considering the probable public criticism of my presence at your office at the time when it would have been generally known that the answers to the President's proposal were being prepared, I think it very fortunate that we have been able to make reply direct from Denver with the public fully informed as to my presence here.

"J. F. WELBORN."

"The Lee above referred to is Ivy Ledbetter Lee. He is the personal employee of Mr. Rockefeller, as admitted by Mr. Welborn in his testimony, this admission having been forced from the reluctant lips of Mr. Welborn on the witness stand, after first positively refusing to answer, and then begging for time to consult counsel as to his legal rights in the matter, and finally receiving permission to do so from his eastern employers.

"If you require further proof, Mr. President, as to the sole responsibility of Mr. Rockefeller, allow me to point to the testimony of Mr. Welborn to the

effect that, immediately after leaving your presence, at the time of the submission of this letter in the early part of September, he reported directly to John D. Rockefeller, sr., at Tarrytown, N. Y., in company with John D. Rockefeller, jr., W. L. Mackenzie King, of the Dominion of Canada—also on the personal staff of Mr. Rockefeller—and Mr. Ivy Lee, who acted as the go-between for Mr. Rockefeller and Mr. Welborn in the preparation of the letter to you, as revealed by the correspondence quoted above.

"In view of the fact that you have appointed Mr. Seth Low, of New York, at the head of a conciliation board, I would respectfully ask you to suggest that Mr. Low call upon John D. Rockefeller, sr., in person at the earliest opportunity, and urge upon him the acceptance of your suggestion to bring about industrial peace in Colorado.

"In common with countless millions of my fellow citizens, I recognize the fact that perhaps no other President in the history of our country has been called upon to intervene in so many difficult and delicate situations throughout this country and the world, looking toward the happiness and welfare of mankind. If your suggestion is not accepted by Mr. Rockefeller when presented by Mr. Low, this master of millions will be but the second person in the life of your administration who has spurned your kindly offices in the cause of peace and justice—the other one being Gen. Victoriano Huerta, late dictator of Mexico, present whereabouts unknown.

"The testimony given before this commission last week by Mr. Welborn places the issue squarely before the world: Is John D. Rockefeller greater than the Government? Is he higher than the law?"

Chairman WALSH. Then you decline to make any statement, as I understand it, as to the incidents leading up to this strike?

Mr. LAWSON. I must decline on advice of counsel.

Chairman WALSH. Is there anything further you wish to say?

Mr. LAWSON. No, sir.

Chairman WALSH. Then you may be excused.

Mr. Frank Hayes.

#### TESTIMONY OF MR. FRANK J. HAYES.

Chairman WALSH. State your full name, please.

Mr. HAYES. Frank Hayes.

Chairman WALSH. Where do you reside?

Mr. HAYES. My people live in Boulder, Colo., at the present time. I am from Indianapolis.

Chairman WALSH. Are you married or single?

Mr. HAYES. Single.

Chairman WALSH. What is your business?

Mr. HAYES. National vice president of the United Mines Workers of America.

Chairman WALSH. How long have you held that position?

Mr. HAYES. For—I took the position April 1, 1910; I have held it more than four years.

Chairman WALSH. What is your age?

Mr. HAYES. Thirty-two.

Chairman WALSH. I wish you would begin at the entrance into your business life—at the beginning of your business life—and sketch your places of residence and employment down to the present time.

Mr. HAYES. I was born in What Cheer, Iowa, May 4, 1882. I went to work in the coal mines at the age of 13 at Mount Vernon, Ill. I was initiated and given the obligation of the United Mine Workers of America by my own father, who was president of a local union at the time I joined this organization. I worked in the coal mines of Illinois until I was 21 years of age. At that age I was elected secretary-treasurer of the Belleville subdistrict miners' union. I continued in the capacity of secretary-treasurer of that district until I was 26 years old. At the age of 26 I was elected State secretary-treasurer of the Illinois Mine Workers Union. At the age of 28 I was elected international vice president of the United Mine Workers of America, the position I am now occupying.

Chairman WALSH. What education did you receive in your boyhood?

Mr. HAYES. A common-school education.

Chairman WALSH. In what schools?

Mr. HAYES. The Mount Vernon school and Centralia schools. My father was quite a union man and was blacklisted in the early days and was forced to



move from one coal camp to another, and due to that fact, I attended the common schools in a number of places.

Chairman WALSH. What was his business?

Mr. HAYES. Coal miner.

Chairman WALSH. You were born where?

Mr. HAYES. At What Cheer, Iowa.

Chairman WALSH. Your father was a native of what country?

Mr. HAYES. A native of the United States.

Chairman WALSH. He was a native American?

Mr. HAYES. Yes, sir.

Chairman WALSH. I wish you would be good enough, Mr. Hayes, to give a brief account of your connection with the Colorado strike from its inception to the present time.

Mr. HAYES. I came to Colorado in July, 1913, at the request of the miners of Colorado and the officials of the Colorado Miners' Union, not for the purpose of fomenting strife, but for the purpose of endeavoring to settle peaceably the strike in northern Colorado, as well as to adjust the grievances of the miners in southern Colorado. And with that thought in mind I endeavored to secure a conference with the operators of this State. I, along with my associates, wrote a letter to all the operators in the State, asking them to meet us in conference for the purpose of working out an amicable adjustment of the grievances complained of by the miners. We received no answer to that communication. We waited for almost a month after that communication had been sent to them and then decided, at the request of the Colorado miners, to call a convention to meet in Trinidad September 15, 1913, for the purpose of letting the miners then decide whether or not they wanted to continue the old system or whether or not they wanted to declare a strike to secure their freedom.

That convention was the largest attended miners' convention in the State of Colorado, regardless of what the operators say to the contrary, and practically every mining camp in the State sent a delegate. It was a representative convention. The men, where they could elect delegates openly, elected delegates; but, due to the system of feudalism that prevailed in southern California, it was impossible to elect delegates openly in that region, because to do so meant persecution and discharge and possibly assault by the large army of paid guards that they had around their property for that purpose. It meant as much as a man's life was worth to say that he was a union man, but secretly hundreds upon hundreds of those men expressed their desire to affiliate with this union and quietly and secretly elected delegates to this convention—the only way they could elect delegates was in that way.

The convention met. We invited the operators to attend this convention. We wanted to do everything in our power to avoid a strike. That was my keen personal desire. The operators failed to put in an appearance, ignored our invitation for the second time; and then the miners, seeing that all hope for a peaceful settlement had failed, seeing that the operators had refused to even meet with them, or their representatives, had refused to even answer the letters we sent to them, seeing that all hope had gone to secure redress of their grievances, they themselves, in convention assembled, decided to strike. I attended that convention. I did not say one single word in that convention until after the men themselves issued the strike order, and when they did issue the strike order I arose in that convention. I said I did not care to impress my views upon this convention. If the miners of Colorado themselves wanted to strike, then that was their business, and they would have our support; and I said if I had tried to persuade the miners of Colorado to strike I would have been held solely responsible, but now "You have declared this strike without any influence from me or any other so-called agitators."

The convention adjourned. The delegates in the convention wanted to strike immediately. They wanted to give the operators 24 hours' notice. I personally talked to several of the local leaders of miners in Colorado and told them to postpone the strike date one week, because I was convinced that when the operators saw that the miners were determined to strike they would possibly then seek a joint conference for the purpose of settling these disputes. But as a reward for my suggestion, when the delegates went back to their homes, practically all of them were chased out of the camp, notwithstanding their families were living in the coal camps, and were discharged. A week after the convention adjourned the strike began. I remained in the strike field up until December 22, 1913, and then, owing to the fact that our international convention was meeting in Indianapolis, I was forced to leave and forced to remain in

the East to assist in negotiating wage agreements for the eastern miners until urged in July, 1914, I believe, as nearly as I can remember, at which time I returned to Colorado. I was not in Colorado while most of the violence was occurring.

Chairman WALSH. To what extent were the miners and the local officials urged by the national officers to organize and call the strike?

Mr. HAYES. In accord with our duties as organizers, when we are appealed to by miners we are expected to go to them, listen to their grievances, and if they desire to organize, if there is a sentiment for organization, to do everything within our power to secure an organization, and we did do that very thing.

Chairman WALSH. Irrespective of the interests of the miners in Colorado, what benefits would accrue to the national organization by the unionization of the Colorado mines?

Mr. HAYES. There would be no pecuniary benefit accruing to the international organization. The only benefit that would accrue would be that which might be given to the Colorado miners themselves.

Chairman WALSH. Well, it has been stated that the admission fees, the initiation fees, and dues would add greatly to the financial benefit of the national organization. Just explain as to that.

Mr. HAYES. The national organization receives not one single cent of any initiation—not one single cent.

Chairman WALSH. What proportion of the dues do they receive? What sort of per capita tax, or whatever you call it?

Mr. HAYES. Only 25 cents per month, the smallest dues, I think, of any great international union in the world.

Chairman WALSH. What would that amount to in a year if the organization was protected as designed in Colorado, approximately?

Mr. HAYES. Well, it would amount to about \$30,000 a year.

Chairman WALSH. How are funds so collected, expended—

Mr. HAYES (interrupting). That is, if all the miners were organized in the State?

Chairman WALSH. Yes. How are funds so collected; expended by the national organization?

Mr. HAYES. They are expended in protecting the rights of the miners under their various wage agreements, expended in publishing our official paper, expended in organizing work—

Chairman WALSH (interrupting). Is there any sinking fund in your organization or any money that is not used in the ordinary carrying on of its affairs from year to year?

Mr. HAYES. No, sir.

Chairman WALSH. What are its receipts and expenditures per year, approximately, leaving out strike benefits for the time being?

Mr. HAYES. About \$2,400,000; that is, basing it on a membership of 400,000. Of course, we won't average 400,000, I think for the year, but close to it. But basing it approximately on 400,000, our receipts will be more than \$2,000,000 a year, including strike assessment.

Chairman WALSH. Please state where the men are now working as coal miners in the United States under agreements between the operators and the union organization.

Mr. HAYES. Please state the States, you say?

Chairman WALSH. How many men are there now working as coal miners under agreement—

Mr. HAYES (interrupting). Close to 400,000.

Chairman WALSH. In what States are they located?

Mr. HAYES. They are located in Pennsylvania, West Virginia, Ohio, Indiana, Illinois, Michigan, Kentucky, Tennessee, Missouri, Iowa, Kansas, Oklahoma, Colorado, Arkansas, Texas, Wyoming, Montana, and Washington. I think I have covered them all.

Chairman WALSH. What is the attitude of the large operators elsewhere under such agreements with your organization and toward the principle of collective bargaining which I believe underlies the entire fabric of your concern?

Mr. HAYES. The operators prefer the trade agreement to the old system of uncertainty that prevails in the nonunion fields. They think it insures security to their business and that when they sign a contract they know they will have peace for a certain period of years; that they do not have to hire a large army of armed guards for the purpose of watching and spying upon every man; and

they feel better, from the standpoint of conscience, to treat their men as humans instead of like animals and slaves.

Chairman WALSH. You have heard the statement made here as to the alleged breaking of contract upon the part of the United Mine Workers of America, and a letter—a specific letter which was read into the record—signed by Mr. Gilday and others, and I believe perhaps by Secretary Wilson.

Mr. HAYES. I heard something about that letter; yes; I heard that.

Chairman WALSH. I wish you would make any comment that you think pertinent on the charge that these contracts are not, in the main, beneficial to the employers on the—on account of the fact that they are so frequently violated.

Mr. HAYES. I want to say, Mr. Commissioner, that the contracts are violated more by the coal operators than they are by the coal miners. They continually parade the few violations of the contract on our part, but these so-called violations are due to the fact that the operators themselves do not avail themselves of the procedure laid down in the contract, and that they delay the settlement of cases sometimes two and three and four months, until the patience of the men wears out, and these little spasmodic affairs occur once in a while—but very seldom. But we have clauses in all our contracts that if the men do strike this way, no matter if their patience is exhausted, due to delay and evasion practiced by the other party, that they are fined and punished, and discipline maintained.

I have here some letters—Mr. Osgood testified here one day that he was forced to leave the State of Iowa because of the character of this union. I want to read some documents bearing upon our union. I want to prove that our union is a business institution, and has been recognized as such by the majority of the coal operators of the land. Mr. Baer, particularly, before he died, the great anthracite operator, admitted the mistake he had made in his earlier days, and if he had lived, I feel assured from what he told me and other members and officers of the union, that we would have a direct agreement in the anthracite field. Here is a letter from the president of the Iowa miners concerning Mr. Osgood. Shall I read it?

Chairman WALSH. Proceed.

Mr. HAYES. I have several here [reading]:

"DEAR SIR: I am in receipt of your letter of the 25th instant, requesting information pertaining to J. C. Osgood's connection with the mining industry in this State some years ago. Replying thereto will say that Mr. Osgood started his career in the mining world at Cleveland, Iowa, 1 mile east of Lucas about the year 1876. At that time he was not considered financially well fixed, so I am advised; however, mine No. 1 and later mine No. 2, each having extremely favorable physical conditions in the way of a thick coal vein, good roof, and so forth, it was said that a vast sum of money was made by the company at these two mines. At any rate, J. C. Osgood left Iowa for Colorado reputed to be a very wealthy man.

"In the late eighties after mine No. 1 had been worked out and mine No. 2 was near the end of its existence, this company sunk mine No. 3. This mine was sunk on what was called Whitebreast Hill, near Cleveland. My father worked in this mine as a miner. I was then but a small boy, but I can still remember hearing father speak of the poor vein of coal. It is said that as the company had vast earnings out of mines Nos. 1 and 2 they were able to interest eastern capital in mine No. 3, and had been able to get vast sums of eastern capital on this project. This mine proved a complete failure. This occurred a number of years before the United Mine Workers' organization became established in the Iowa coal fields. Later this company developed coal mines in other places, namely, Keb and Forebush, Iowa.

"The eastern bondholders who had become involved in the Cleveland mine No. 3 deal, finally forced receivership through the courts and the Keb and Forebush mines were taken over. Each of these mines was operating a number of years before the miners' organization was established; in fact, according to the average life of an Iowa coal mine each of these mines had passed the meridian of life—having been in operation about 10 years before our organization was established—consequently it could not be truthfully or conscientiously said that the United Mine Workers were responsible for the Whitebreast Fuel Co. relinquishing their hold on these mines.

"I am advised that Mr. Osgood was later interested in Cleveland mine No. 4, about 3 miles west of Lucas. This mine was abandoned about 1908. The unfavorable physical condition of the mine and of the vein of coal made this a very poor proposition. It must be remembered that every hole in the ground

in the coal fields does not yield up coal as anticipated, but the United Mine Workers should not be held responsible for the work of nature.

"It can not be said that the United Mine Workers' organization is detrimental to the coal industry of our State, and to substantiate this statement I am inclosing herewith copy of letter received in our office from Mr. E. C. Smith, president of the Iowa Coal Operators' Association, also copies of letters received from several prominent coal operators of our State, giving their views in regard to doing business with our organization. As substantial business men they would not make such statements if the mine workers' organization was detrimental to their interest.

"I might also add that these gentlemen have been engaged in the coal-mining industry in this State for a number of years, and they are voicing the consensus of opinion of the Iowa coal operators generally, as attested to by the president of the operators' association.

"W. H. ROGERS,

*"President of the Iowa Miners."*

Now, here are the letters, Mr. Chairman, from the coal operators of Iowa, which I think will dispute entirely Mr. Osgood's claim about the United Mine Workers' Union not being a business institution.

Chairman WALSH. Well, now, will you kindly state the substance of them, the date, the writer, and the substance to assist us, if possible, in saving time?

Mr. HAYES. The first is a letter from P. H. Waterman, general superintendent, dated October 10, 1913.

Chairman WALSH. And the substance of it is what?

Mr. HAYES. Well, it goes on to state—

Chairman WALSH (interrupting). You may state it. Do these letters, or do they not, express satisfaction so far as—

Mr. HAYES (interrupting). Yes. Here is a statement by Mr. Waterman [reading]:

"Union labor in the Iowa mines has increased the cost of coal production, but in my own operations this is more than offset by the stability of service rendered through the absence of local shutdowns and strikes. My company has about 700 men and boys on its roll.

"Yours, truly,

"P. H. WATERMAN,

*"General Superintendent."*

Now, here is another from the Hawking Coal Co., W. G. Hodge, superintendent [reading]:

"My preference is to deal with union men, because at the time the miners were unorganized I have known the mines to be shut down for any mere trifle, and miners would fight for nothing at all; for instance, a few men would get together and some one would suggest that they go home as they were feeling indisposed, and off they would go. However, since being organized this, in my case, has been eliminated, and while we do not see eye to eye in everything, there seems always to be a tribunal we can come to and obtain a perfect understanding."

Here is one from Mr. G. W. Clarke, governor of the State of Iowa. I will read it in full, as a letter from the highest official of that State [reading]:

"Answering your letter of October 2, I have to say that it would have been answered earlier but I have been for so much of the time recently away from the city.

"You inquire as to what, in my opinion, is the more beneficial to the mining industry in the management of the mines—as to whether with union or non-union labor? I am of the opinion that it would be much more beneficial and satisfactory in every respect to deal with union labor, for the reason that contracts can be entered into by an organized body of men which will be recognized by them as binding to a very much better extent than with nonunion men; or, in other words, with men where you must depend upon an arrangement or contract with each individual man. It would seem to me that if I were managing a mine and were employing a large number of men I would rather deal with men who are organized as a whole than with individuals. I should anticipate a much more satisfactory result in this method of conducting the work.

"Yours, very truly,

"G. W. CLARKE,

*"Governor of the State of Iowa."*

Here is another letter from the Central Coal Co., by Secretary Thomas L. Evans. Concluding he says [reading]:

"We have had at various times 250 to 300 men in our employ, and will state further we prefer union labor at all times in the operation of our mines.

"Beg to remain,

"Very truly, yours,

"CENTRAL COAL CO.,

"THOMAS L. EVANS, *Secretary.*"

Chairman WALSH. How large a mine is that?

Mr. HAYES. Employs from 250 to 300 men—the Central Coal Co. These are from the operators who own the mines.

Here is one from E. C. Smith, president of the Iowa Coal Operators' Association—the same kind of association, only much different in character and standing, with the "Big Three" out here. [Reading:]

"I am in receipt of your letter of October 2, in which you ask for an expression of opinion as between union and nonunion labor in the operation of coal mines.

"As president of the Iowa Coal Operators' Association, to whom your letter is addressed, I am strongly in favor of the employment of union labor and the joint movement.

"Yours, very truly,

"E. C. SMITH,

"*President of the Iowa Coal Operators' Association.*"

Another one from Robert Heaps, coal operator [reading]:

"Replying to your letter of the 2d, will say that my experience in the mining business has been much more satisfactory dealing with union men than it is with nonunion men.

"We have from 100 to 150 men working for us about eight months in the year."

I have several others here.

Chairman WALSH. From whom are they, and do they or do they not—

Mr. HAYES (interrupting). One here from Alex Walker, indorsing his relations with our union, from What Cheer, Iowa—

Chairman WALSH (interrupting). What is Mr. Walker?

Mr. HAYES. He is a coal operator.

Chairman WALSH. Just run through and state who they are.

Mr. HAYES. The other letter is from D. F. Cushing, a coal operator, indorsing our union.

Chairman WALSH. Approximately how many employees are represented by the association in Iowa?

Mr. HAYES. From these letters, every coal operator, I think, in the State is a member of the coal operators' association.

Chairman WALSH. How many men do they employ collectively?

Mr. HAYES. They employ 18,000 men.

Chairman WALSH. Now, have you finished with that correspondence?

Mr. HAYES. Yes.

Chairman WALSH. We would like to know what other benefits, if any, you claim the operators, the proprietors, may enjoy from dealing with your organization, or in adopting the principle of collective bargaining?

Mr. HAYES. Well, in dealing with union labor they do not have to employ an army of detectives and guards and secret spies. They save that amount of money. They secure a better class of miners, a more competent class of men. The union miner is a man of higher standard than the nonunion miner, from my own observation. I have noticed these nonunion miners and they remind me of Edward Markham's poem, "The Man with the Hoe"—no feeling, no ambition to be other than a slave; but in the union miner you will find a different man, a different type of man, a man who gives service for what he is paid for, and the highest type of miner, who takes pride in his union as well. There are other benefits that possibly I could think of if I had a little time. The security given by the trade agreement to the operator, the prevention of local strikes and discipline.

Chairman WALSH. Discipline of the men?

Mr. HAYES. Discipline of the men through the union.

Chairman WALSH. It has been remarked here many times that there is an objection to the character of the men that belong to your organization. What do you say to that—

Mr. HAYES. Mr. Chairman—

Chairman WALSH. Where do you derive your membership, where are they gotten?

Mr. HAYES. The character of our membership is first passed upon by the coal operators. Unless the coal operators hire miners we can not initiate them into our union. So if there is anything wrong with the character or type of our membership, the coal operator and not the union—the United Mine Workers of America—is responsible for that type.

Chairman WALSH. I wish you would detail, Mr. Hayes, any of the benefits which you claim accrue to the mine workers from organization to act in a collective way?

Mr. HAYES. We have, due to collective bargaining, advanced our wages in the best-organized States in the last 15 years approximately 100 per cent; we have established the eight-hour workday in practically, yes, in every field that we have thoroughly organized; we have placed checkweighmen on every tippie to see that the miner receives correct weight for his coal.

Chairman WALSH. Was that, or was it not, found to be necessary in the experience of the miners as a whole; that is, the necessity for checkweighmen?

Mr. HAYES. It is very essential we have checkweighmen, because we are paid by the ton and not by the day. I was taught in the East that 2,000 pounds was a ton, but in some of these nonunion camps they say that 3,000 pounds is a ton. Miners so testified to that fact, and said they were forced to load 3,000 pounds for a ton. I have testimony here from individual miners that I will submit for the record.

Chairman WALSH. Proceed now with any other benefits which you claim the mine worker has by reason of acting collectively instead of individually?

Mr. HAYES. Why, he finds protection from injustice, from petty persecution. He has freedom such as he could not enjoy under nonunion conditions. In other words, in the union mine if a man is mistreated or abused, not paid for the work he does, if he is robbed at the company store—if they have a company store, which they seldom do in a union field—he can take his case up with the mine committee and the superintendent of the mine; then, if they can not adjust it, they take the case up to the operators' association, generally, and the president of the district organization, and they generally work out an adjustment. That man is protected. If the company has done him an injustice they compensate him for the injustice.

Chairman WALSH. A gentleman testified yesterday, I believe, that in his opinion organization of miners had had no effect on maintaining the standard of wages in those fields where nonunion men were employed. What has been your observation in that respect, Mr. Hayes? A nonunion miner said he did not believe an organization had had any effect in establishing a higher standard of wages in places where the union was not in control.

Mr. HAYES. I wish I had the wage scales of these nonunion States. A great deal has been said about the high wages paid in Colorado. I am going to try to prove to-day that Colorado operators have the lowest rate of any State in the Rocky Mountain region. I have here the scales of Wyoming, Montana, and Washington, and in every instance these are from 20 to 25 per cent higher.

Chairman WALSH. It has been told here by a number of witnesses uniformly, probably on the side of the operators, that wages are higher here than other places, and also a number of practical miners have been upon the witness stand and testified to that effect. I wish you would, as briefly as possible, now analyze the statement which I have just made.

Mr. HAYES. The miner, as I said, is paid by the ton, and the tonnage rates are higher in Wyoming, Montana, and Washington than they are in Colorado. The so-called wage that they make, or are supposed to make, here in some cases does not mean anything in the final analysis. What will that wage buy? If I earn \$10,000 a year and am forced to spend \$10,000 to live, I earn nothing. We maintain that this wage, so-called, that they introduce here is a "paper wage," and that, due to the other systems of extortion that they have, even granting that their wage scale is correct—and even at that rate it is lower than Wyoming and those other States—even granting that it is correct, they are enabled, due to the system of feudalism that they have established, to take away practically all of the earnings of the men. Now, when this strike began—the second day after the strike—several hundred men and women came into the office in Trinidad begging for relief. I said, "Well, can't you take care of yourself for a week?" I said, "One of our rules is that we don't support any striker until he has been on strike a week." They said, "We are actually starving; we must have assistance." They had been working in those mines, possibly, some of them for years. A number of them were indebted to the com-

pany store, and I can secure, if the commission wants them, scores of affidavits to prove this assertion.

In the union fields we have abolished this truck-store system. And our wage scale, due to the fact we are allowed to trade where we please—we have absolute freedom in spending our money, is higher than this so-called paper scale they have here in the southern coal fields of Colorado. Not only store bills, but they charge for drinking water, doctor bills; they charge so much money for doctors and hospitals. Now, that would not be so bad in itself, if the miners had the right to pass upon the competency of the doctor so selected, but they are forced to take any sort of doctor the company gives to them, even a mule doctor. Now, inasmuch as we pay the wages of the doctor, one of our demands is that if the doctor is incompetent, or if he is addicted to drink, as they are at times, that we should have the right to discharge him. But we have no voice in his hiring and no voice in his discharge, even though the people suffer from his bunglesome methods. One of our men testified here in a hearing at Trinidad, I have the stenographic report of our convention, that he lost his eye, due to the tinkering of one of these so-called doctors.

Chairman WALSH. Now, you have covered the benefits that occur to you that accrue to the miners under collective bargaining. Have you visited the coal camps in the southern coal fields of Colorado?

Mr. HAYES. I have visited a number of them; those they would let me into. They chased me out of one.

Chairman WALSH. Have you visited Ludlow and Hastings?

Mr. HAYES. I visited Ludlow; yes. No; I could not get into Hastings. They wouldn't allow me.

Chairman WALSH. Delagua?

Mr. HAYES. No; I couldn't visit Delagua.

Chairman WALSH. Who would not allow you?

Mr. HAYES. The guards there.

Chairman WALSH. When did you call—

Mr. HAYES. I called at the Valdez mine about two months ago. I delivered an address up there. After the speaking I was walking around the place, and I got over onto company property, and the guard said, "You know where you are going?" I said, "No; I am walking around, looking at the town." He said, "You are on company property." I said, "I didn't know that." He said, "Do you know I could put you off if I wanted to?" I said, "Possibly you could. I will get off. I don't want to be put off." So I left. He said, "You can't visit around here; that is against the company's rules." That is one specific instance that is clear in my mind.

Chairman WALSH. What has been your observation as to the effect on the community, as a whole, where unions exist and where nonunions exist? That is, as to the material prosperity of the community, the moral welfare, the religious activities, and those things that might be called the purely social institutions of the community.

Mr. HAYES. I should say the social life in the union fields is vastly superior to the social life in the nonunion fields. I say, further, there is practically no social life in the—that is, of any consequence—in these nonunion camps; that the social and religious life of these nonunion communities is dominated by the pit boss or superintendent, who reigns as a king in that community, who lays down the rules and the laws for the community to follow; that there is absolutely no degree of freedom in their social life. There is absolutely no civil rights that are enjoyed in the nonunion fields—that is, a man must not express his thoughts, if they happen to differ with the thoughts of the superintendent, without running the fear of being discharged and possibly assaulted by the guards they have around the mines for that purpose. In the union fields we generally have debating societies, reading rooms, libraries. Our membership is allowed to follow any political faith they want to follow without fear of discharge.

Chairman WALSH. Do they have political meetings, where they are addressed on the issues of the day by candidates for office?

Mr. HAYES. Yes. We oftentimes invite the candidates of the different political parties to address our meetings. We have perfect freedom in voting, meeting, talking, and thinking, conditions that do not obtain in the nonunion fields.

Chairman WALSH. What has your observation been, as to whether or not the meeting together of men in their assembly halls has an effect upon their education, upon their culture, and their knowledge?

Mr. HAYES. I should say that the United Mine Workers is the only school that a great many miners have. Their trade-union hall is their school.

Chairman WALSH. Did you have any education yourself, outside of the school education that you acquired before you were 13 years old?

Mr. HAYES. No; that is all.

Chairman WALSH. I notice that, not to comment invidiously, that you use good language, express yourself well. Where did you acquire what ability in that line that you may have?

Mr. HAYES. Whatever little ability I may have, Mr. Chairman, I owe to my connection with the United Mine Workers.

Chairman WALSH. What has been your observation with respect to other men in that regard? You have seen, for instance, foreigners that come into the organization.

Mr. HAYES. Yes.

Chairman WALSH. Italians, Slavs, and others?

Mr. HAYES. Yes.

Chairman WALSH. What effect has it seemed to have upon them?

Mr. HAYES. Why, I notice the fact when they are members of our union for a certain length of time that they speak the language better, they take more interest in our common life, and the life of our country. They are anxious to read and learn; that it awakens new ambitions and new ideals in them, due to contact with the men who are free to think what they please; and until men are free to think what they please there can be no progress.

Chairman WALSH. Has your union a definite policy with respect to men becoming naturalized citizens and getting an understanding of our institutions?

Mr. HAYES. We have nothing in our organic law on that question, but we do advise, as officers, that every member become a naturalized citizen as soon as possible. In a number of my speeches I have given that advice, and often do so personally to our members.

Chairman WALSH. In communities where the miners are organized, what has been your observation with reference to the miners taking part in the civic life in the community, being candidates for office, urging candidates for office, and serving upon boards, and so forth?

Mr. HAYES. In the union towns miners take a very active part in the political life of the community. In fact, we have a number of our members in the various State legislatures. We have sent men to Congress. We have now, I am very proud to say, a member of the President's Cabinet, Mr. Wilson, Secretary of Labor, a man who went to work in the mines when he was 9 years of age. I think whatever education and whatever advantages have come to Secretary of Labor Wilson have come about due to his connection with organized labor, because he had very little school education, going to work in the mines when he was 9 years of age.

Chairman WALSH. Are there any Members of Congress now who are or have been members of your organization?

Mr. HAYES. Not at the present time. We have a president pro tem of the Ohio State Senate, who is our national secretary-treasurer at this time, and this national secretary-treasurer of the United Mine Workers of America, while never having had the benefit of college training, is the author, I think, of the best workmen's compensation law in the world, the Green workmen's compensation law of Ohio. He is the author of the nine-hour law for women, the author of the mine-run law in Ohio, and several other laws that benefit labor. I want to briefly mention those as types. I could mention scores of others, due to the fact that the United Mine Workers is an educational institution as well as a business institution.

Chairman WALSH. What other effect, if you have observed any, does your organization have upon the civic life of the community where it exists?

Mr. HAYES. Well, you find the—

Chairman WALSH. For instance, Commissioner O'Connell suggests—what influence has it had upon what might be called the temperance movement, total abstinence from the use of liquor?

Mr. HAYES. Well, I can only say that the United Mine Workers of America does not allow any of its members to tend bar or to sell intoxicating liquors, and that a great many of the union fields have voted dry. So far as their use of it is concerned, there are various opinions among the union men, the same as there are among nonunion men, on that question. But I should say that due to the environment and the higher ideals that union men attain, due to their association with their fellow men, they are a great deal more moral than those who are held down, suppressed, and degraded, due to the condi-



tions that obtain in the nonunion fields. In fact, morals and ethics are established in nonunion fields largely by the mine superintendent, and I could recite several horrible things that would not look well in print about the moral life in the nonunion fields. Your investigators have investigated that fact, I suppose. It is a well-known fact.

Chairman WALSH. What has been your observation in point of comparison between union and nonunion camps of cities with reference to the activities of religious bodies, whether or not the exercise of religion seems to be freer or more restricted?

Mr. HAYES. I find perfect freedom toward any religion you want to follow in the union camps. I do not find that freedom in the nonunion fields. I know of preachers who have been discharged or starved to death, because they dared to express their convictions in line with the Gospel taught by the Nazarene. Instances down here in the coal fields of Colorado where preachers have incurred the hostility of the coal companies, because they dared to take our side and stand for the people who are oppressed.

Chairman WALSH. Do you have any other observations that you desire to make as to the effect of collective bargaining on community welfare?

Mr. HAYES. Well, I could, but I do not know just how to approach that. I could say a great deal about what the union means to the life of the community. It is their clubroom; it is their school; it is a place where they become informed of current events; it develops a spirit of comradeship among the men.

Chairman WALSH. How about the effect on helping others?

Mr. HAYES. I was going to touch on that. They, I will say, due to this community life, which the union develops in the camps, close community life, they will assist the sick, give them weekly benefits; they bury the dead, and in every way they endeavor to help each other. In the Illinois union, of which I was secretary-treasurer before I became vice president, we have a \$200 death benefit; every miner in the State who dies, his widow receives \$200, or, if he is single, his dependents, if he has any.

Chairman WALSH. To what extent has the union policy in Colorado been determined by the national officers, or the national executive board of the United Mine Workers of America?

Mr. HAYES. To what extent has the union policy in Colorado been determined by the national organization?

Chairman WALSH. Yes.

Mr. HAYES. I should say this, that the miners of Colorado, like the slaves of the South, could not throw off their shackles, but had to have help; no serf or slave ever freed himself. But that on account of our duty to these people, on account of our humanitarian interest in them, and our obligation to carry this gospel all over the country, we responded to their very urgent appeal for assistance. We propose to never rest content until every mine worker in North America is enlisted under the banner of our organization. Any time any section or any great body of men in any nonunion field manifests a desire to belong to this union, and recites to us their wrongs, we are going to that body of men, and if we can not settle the difficulty peaceably, which we prefer to, if there is no way of breaking down the tyranny and oppression that prevails, no way to restore constitutional government or give them constitutional government, and when all other means fail, there is but one other thing to do, and that is to strike.

And I want to say right here that I deeply regret being compelled to advocate a strike; but when men are arrogant and will not listen to reason, will not even meet with the representatives of the men, will not even confer with the men themselves, then what is there left to do for the men—the one way out, when all peaceful means fail is by a strike.

Chairman WALSH. Now, then, do you determine the policy of the local organization as to whether or not they shall strike or not strike?

Mr. HAYES. No.

Chairman WALSH. And after a strike, do you or do you not determine the policy as to the conduct of the strike?

Mr. HAYES. No. The men involved determine whether or not they want a strike.

Chairman WALSH. Now, I notice that you were on the policy committee during this strike?

Mr. HAYES. Yes.

Chairman WALSH. Is that the practice of the united mine workers that a national officer shall be on the policy committee where there is a strike?

Mr. HAYES. Well, it is not a policy. I thought it an act of courtesy on my part when I came out here to invite the district officials to go into the district with me and work it out together. The strike was our last thought. I entertained the foolish idea at that time that I could settle this thing peacefully. I thought that we could reason with these operators; I thought that they would listen to some fair and reasonable sort of settlement based upon the laws of the State. That is all I had in mind of the national union doing. Even when the strike was declared I still entertained hopes of settling it on the basis of the laws of the State—and industrial courts to decide the disputes. We did not want here the check-off system. We do not want that to start off with. We wanted to lay here, in a peaceful way, the foundation of this organization. Yet they held to the viewpoint that we came here to take over their business and run it in our own sweet way. Let me say, for instance, the Wyoming operators, where we had a union for years and years without a single disturbance, the State north of here, they prefer union labor to nonunion labor, and they are small operators compared with these big fellows down here. And I think the Colorado coal operators can do the same thing, and all we ask in wages was that they pay in Colorado the same wage scale that Wyoming operators pay their men and give us the same rights and the same liberties that Wyoming gives to the miners of that State, and in making that demand I take it we appeal to the intelligence and fairness of every good citizen of the State of Colorado.

Chairman WALSH. The—it has been stated that one of the demands of your union is recognition of the union. Please state as briefly as you can, nevertheless, as fully as you can, what that term includes, "recognition of the union."

Mr. HAYES. Recognition of the union includes and was so intended to mean the recognition of the right of collective bargaining—the right, if men wanted to join, to have the right to join the union, a right the laws of Colorado give them; that when we have a certain number of men banded together in a locality that we have the right to select a pit committee and present our grievances to the mine boss or superintendent and endeavor to arrive at a settlement.

Chairman WALSH. Does it necessarily contemplate the check-off system?

Mr. HAYES. It does not.

Chairman WALSH. Does it necessarily contemplate a closed shop?

Mr. HAYES. It does not.

Chairman WALSH. Does it contemplate that no nonunion man shall be allowed to work there?

Mr. HAYES. It does not.

Chairman WALSH. Who writes the contracts for your organization which are presented to the operators?

Mr. HAYES. They are written jointly by both miners and operators.

Chairman WALSH. For instance, do you have a definite form that you follow always in drawing up these contracts?

Mr. HAYES. No; we confer. We exchange ideas as to what ought to be in the contract, and sometimes we debate the question for one or two weeks before we agree, but we always generally agree.

Chairman WALSH. Is each contract then the result of a bargain between employees and the employer?

Mr. HAYES. Yes, sir.

Chairman WALSH. That is an individual bargain in each instance, in each State, where the employers have an organization?

Mr. HAYES. Each district.

Chairman WALSH. Each district?

Mr. HAYES. Yes; or subdivision of a district. There are subdivisions sometimes.

Chairman WALSH. Have the national executive board of your organization taken any action regarding the purchasing of arms and ammunition in the State of Colorado?

Mr. HAYES. No, sir.

Chairman WALSH. Have they purchased any arms and ammunition for use in the State of Colorado?

Mr. HAYES. Not to my knowledge.

Chairman WALSH. Have they set apart or appropriated any funds for such purpose?

Mr. HAYES. Not to my personal knowledge.

Chairman WALSH. Have the national officers or the national executive board of your organization taken any action in regard to armed aggression or defense in the State of Colorado?

Mr. HAYES. May I read in reply to that question a letter we addressed to all the coal operators in Colorado before this situation developed, the horrors we have witnessed here in the last year or so, the last few months? Here, Mr. Chairman, is a copy of the letter.

Chairman WALSH. May I ask, before I get to that, do you know of any individuals in your union, either in the State of Colorado or outside of Colorado, that have taken any steps toward the purchase of arms and ammunition for use in the State of Colorado?

Mr. HAYES. No, sir.

Chairman WALSH. Do you know of any individuals, or any organization of individuals, inside of your organization, that have adopted any policy to be followed in the State of Colorado with regard to the attempted aggression or defense in the controversy?

Mr. HAYES. No, sir. Here is a copy of a letter sent to the coal operators in the State—

Chairman WALSH. Just one other question Mr. Ballard asks to have asked at that point: Can you name any district where the check-off system does not obtain where you have contracts?

Mr. HAYES. Yes.

Chairman WALSH. Just name them, please.

Mr. HAYES. In the anthracite region of Pennsylvania we have more than 100,000 members working, and the agreement carries no check off. In West Virginia, in the Cabin Creek field, we have an agreement that carries no check off. In the New River region, district 29 of West Virginia, we have an agreement that carries no check off. We have an agreement in Tennessee that carries no check off.

Chairman WALSH. Do you know in a general way the terms and conditions of what is known as the protocol in the needle trades in New York?

Mr. HAYES. No; I do not. I know it in a general way, but not enough to comment upon it.

Chairman WALSH. Proceed with your letter.

Mr. HAYES. This is a copy of a letter sent to all the coal operators in the State, dated October 11, 1913. This letter was addressed to the coal operators after the violence—the first violence occurred at that time. We say to the coal operators [reading]:

"We deeply deplore the shooting that has occurred near our tent camp at Ludlow, and feeling that you are likewise concerned, we wish to ask you to cooperate with us to prevent a repetition of such occurrences. Whether company guards or miners are wholly to blame, we will not discuss here, but feel that something should be done by both sides to allay the present feeling. Let us both say, so far as it lies in our power to prevent, that there shall be no more shooting or violence in and around Ludlow or anywhere else. Call the attention of your guards to their responsibility, and we will see that our people are likewise informed.

"The searchlight that is turned on the Ludlow camp at night can only have the effect of adding to the bitterness of feeling and should be discontinued.

"We trust you will accept this letter in the same spirit in which it is written and as a sincere expression of our desire to promote peace and quiet in all the coal fields of the State.

"Yours, very truly,

"FRANK J. HAYES,  
"JOHN R. LAWSON,  
"JOHN MCLENNAN,  
"E. L. DOYLE.

*"Policy Committee Representing Colorado Miners."*

Chairman WALSH. What was the date of that document?

Mr. HAYES. October 13, 1913. There had been very little violence up to that time. The first real violence occurred—from that letter to the operators—

Chairman WALSH. Did you receive a reply?

Mr. HAYES. We received no reply. The only thing was an insulting interview given by one of the operators to the press in regard to this communication. We at no time received a reply from a single coal operator—these big operators.

Chairman WALSH. What has been the effect on the temper and feeling of organized miners, organized labor, in other States, growing out of the recent events in Colorado?

Mr. HAYES. Why, the miners of the other States feel, of course, very bitter toward the operators in Colorado, especially when they think about the murder of the women and children at Ludlow, but that feeling has not crystallized in any concrete action or form, just a sense of resentment to think that men would be so brutal—especially the richest man in the world; that a man who gives millions away to charity would be so brutal as to support a system of anarchy—a system where civil government has broken down, where more than a thousand miners have been murdered—I won't say murdered but killed in the coal mines of this State by industrial accidents that could have been prevented in a great many cases; but under nonunion conditions the miner is afraid to complain. Now, if the miner is working in an unsafe place he don't want to complain. Lots of times he would rather take a chance with his life than take a chance with his job. So he works on, and due to this fact the death rate in the mines of Colorado—I will take it for a period of five years—is higher than in any other coal-mining State in the Nation. They murdered them in time of peace, and they murdered them in time of what is called war, simply when they make an attempt to redress wrongs they have suffered for years and years.

Chairman WALSH. What solution, if any, Mr. Hayes, would you have for the problems that have been raised by this difficulty in Colorado?

Mr. HAYES. My solution is to establish the principles of collective bargaining. I think that is the best method yet devised for the adjustment of labor disputes.

Chairman WALSH. Is that all you would have to say upon that?

Mr. HAYES. That is my sole conviction.

Chairman WALSH. Mrs. Harriman would like to ask you a question.

Commissioner HARRIMAN. I would like to ask you what percentage of the C. F. I. miners were members of the union before the strike?

Mr. HAYES. I could not say. I will say this, though, Mrs. Harriman, that the miners were afraid to join the union. We could not enter the camps to ask them to join our union. They could not hold meetings of their union if they organized one without being discharged and persecuted; consequently the membership we had in southern Colorado was insignificant, due to the facts I mention.

Commissioner HARRIMAN. As I understand it, the operators claim that at that time the agitators came in and that their men—a large percentage of their men—did not wish to join the union, and that they had to protect them against these agitators? What is your answer?

Mr. HAYES. Let me say in reply to that that the men were more than anxious to join; that if there was any intimidation it was on the part of the operators in keeping the men in the mines. I know several instances where men were kept in the mine, kept in the mines, the camps, when they wanted to leave. In every one of these camps, the first day of the strike, there was a large body of armed ruffians who tried to intimidate men when they came out and keep them in there, but in spite of that intimidation on the part of the operators approximately 80 or 90 per cent came out on strike the first day. And let me say further that the day of that strike was the most miserable day I have known—rain, snow, sleet, and cold. Their families came out and passed those armed guards and got to the open prairies, and many of them slept on the ground the first few days of the strike, because we had no tents in which to shelter them. But I say the intimidation was not on our part but on the part of the operators through their gunmen.

Commissioner HARRIMAN. Did the employees demand that they should have a union; did they ask you to come from the outside?

Mr. HAYES. Yes, madam.

Commissioner HARRIMAN. And organize them?

Mr. HAYES. Yes, madam.

Commissioner HARRIMAN. And you did not just know and think it would be a good thing?

Mr. HAYES. No, madam. From my personal standpoint it meant an expenditure of millions of dollars in making that fight. We listened to their appeal for aid.

Commissioner HARRIMAN. Mr. Hayes, do you or do you not believe that much misunderstanding and antagonism would have been averted if there had been a form of collective bargaining?

Mr. HAYES. Yes, madam.

Commissioner HARRIMAN. You do think that it would?

Mr. HAYES. I think that a great deal of antagonism could be eliminated by establishing the principles of collective bargaining. I know it can, because I see what it has done in the union fields. There is a very friendly feeling in the union fields between the operators and miners.

I remember addressing a meeting in Cheyenne, Wyo., when the miners dedicated their labor temple, a building that cost about \$25,000, and the operators and miners fraternized together as one. We had a splendid time there together that night in the dedication of the labor temple. I could recite a number of incidents similar to that incident.

Commissioner HARRIMAN. I have heard it claimed here by representatives of the operators that they could not treat with your organization because of your irresponsibility in regard to financial matters—I do not mean personally, I mean the union as a whole. What is your answer to that?

Mr. HAYES. My idea about that is that they know very little about our union. They have never endeavored to find out from our union what it stands for and they don't know, due to their arrogant position from the start; that is all guesswork on their part.

Commissioner HARRIMAN. Have you personally ever had a talk with Mr. Welborn or Mr. Osgood?

Mr. HAYES. I never had the pleasure of meeting the gentlemen. I would not know them if I saw them.

Commissioner HARRIMAN. They have refused at all times to have anything to do with you or to talk to you?

Mr. HAYES. Yes, madam; absolutely refused to have anything to do with us or arrange a meeting at any time or seeing us. Practically all the coal operators in the United States do business with us every day, and recognize us as a business institution. Yet they think they are supreme, I suppose.

Commissioner HARRIMAN. That is all.

Commissioner LENNON. Mr. Hayes, we have before us a statement as to money offered by, money paid to you.

Mr. HAYES. I am glad you spoke about that.

Commissioner LENNON. Will you make an explanation covering that matter?

Mr. HAYES. This story about officers' salaries is only one of the numerous lies that have been sent out by the press agent of the coal operators. I did not take it very seriously until we received numerous letters about it. I could not see how anybody could take serious notice of it, knowing anything about a labor union.

I have here the annual report of Secretary-Treasurer Green. Here is the way it reads:

"Expenditures, salaries and expenses of officers, organizers, and employees, for the year 1913."

Now, these operators say that I received a salary of \$90 a day, or \$32,000 a year. It is too bad I do not. The only sad thing about this entire story is that I do not get that \$32,000. But, to answer your question. Here is the official report, and it shows that I received for one year's salary—one year, not nine weeks—\$2,395.72; one year's expenses, \$1,667.20; making a total of \$4,062.92. Yet they say that covers a period of nine weeks.

Chairman WALSH. Was that taken out of that report? How were those figures arrived at, if you can give a reason?

Mr. HAYES. I can not understand any reason for the figures, except the so-called press agent might think that we were only paid when there was a strike on, and that it paid us to go and call strikes, and that during peace we got no salary and expenses. Had the report covered only nine weeks of this strike—this report is ending November 20—had it started with September 23, this so-called press agent might have understood that that was the salary I would get from September 23 to November 30. But, as a matter of fact, I am paid an annual salary.

Chairman WALSH. What amount of service did you render in this field as compared to your entire service that year?

Mr. HAYES. I spent most of my time from September 23—practically all my time—in this field to December 22.

Chairman WALSH. Prior to that time; take the year as a whole.

Mr. HAYES. I spent part of my time in West Virginia, Illinois, Indiana, Ohio, and Pennsylvania.

Chairman WALSH. Performing ordinary duties of the office?

Mr. HAYES. Performing the ordinary duties of the office; yes, sir.

Chairman WALSH. That was apparently all concentrated in these nine weeks in the mind of the person that wrote that?

Mr. HAYES. Yes. The constitution, let me say further, of the United Mine Workers specifies the salary received by every single official. The international secretary-treasurer could not pay more than the constitution allows without being removed from office for malfeasance.

Commissioner O'CONNELL. Did you receive any moneys in any other way while you were in this field?

Mr. HAYES. Absolutely no.

Commissioner O'CONNELL. Donations, for instance, or contributions that might be made to the miners?

Mr. HAYES. I want to say, in answering that question, I handled no money in this strike; that all the money that was handled was handled by International Secretary-Treasurer Green. My work is executive. I have nothing to do with the financial work of the union, and handled no funds at any time.

Commissioner O'CONNELL. All the moneys coming into this district during the strike, either for strike benefits or for relief of any kind, passed through the hands of the secretary-treasurer of the district?

Mr. HAYES. Yes.

Commissioner O'CONNELL. None of the international officers or officers of the district except the secretary-treasurer handled any of the funds—received it or paid it out?

Mr. HAYES. That is correct.

Chairman WALSH. This statement has been made to members of the commission—that the compensation of organizers is greater during the time of strike than it is in ordinary times, and that hence there is a motive for calling the strikes. Is there any truth in that statement?

Mr. HAYES. There is no truth. The salary is the same in peace or in strike. In fact, the organizers prefer peace, because when there is a strike they have to work twice as hard. We are not very anxious to promote strikes for our own personal comfort, because it means more work.

Commissioner O'CONNELL. Are there not cases of where an organizer will contribute some of his salary and expenses for the relief of those out on strike?

Mr. HAYES. Well, sir, I spent every single cent of my salary in the strike region and went \$200 in debt to assist deserving strikers.

Chairman WALSH. At this point we will adjourn until 2 o'clock this afternoon. You will be excused permanently, Mr. Hayes.

(At this point, 12.30 o'clock p. m., Wednesday, December 15, 1914, an adjournment was taken until 2 o'clock p. m.)

#### AFTERNOON SESSION—2 P. M.

Chairman WALSH. The commission will please be in order.

Mr. Costigan will please take the stand.

#### TESTIMONY OF MR. EDWARD P. COSTIGAN.

Chairman WALSH. State your name, please?

Mr. COSTIGAN. Edward P. Costigan.

Chairman WALSH. Where do you reside?

Mr. COSTIGAN. Denver, Colo.

Chairman WALSH. What is your profession?

Mr. COSTIGAN. Attorney at law.

Chairman WALSH. We have had a brief on behalf of the striking miners filed with us, to which your signature is attached. You are the same Mr. Costigan who represented the strikers before the congressional committee?

Mr. COSTIGAN. Yes, sir.

Chairman WALSH. Now, I would like, if you will, Mr. Costigan, that you should make a statement to the commission and confine yourself, if you will, please, also to what might be called your idea of the solution of the problems that you observed during this difficulty and any constructive suggestions that you may have to make to the State or Government to put an end to such conditions.

Mr. COSTIGAN. If you will permit, Mr. Chairman, I should like to preface my statement with a reference to the congressional hearing. On February 10 of this year, as I recall it, I was asked to appear as special counsel in the place

and at the request of Mr. Horace N. Hawkins, attorney for the United Mine Workers, who was engaged elsewhere at that time. My association with the work of the congressional committee, which continued from that time to the conclusion of its labors in Colorado, and through the preparation of the brief to which you have referred, was my first association with the organization mentioned, although for many years before I had been deeply interested as a citizen in the solution of industrial difficulties.

During the hearings before the congressional committee I examined and cross-examined many witnesses who appeared before that committee; and, outside of the hearings, of course, talked with uncounted numbers of workers, both north and south, but in the southern field, particularly; so that my information is based on a very wide field of discussion.

I understand your question, however, to relate to the causes and the solution, or rather the solution. In referring to that matter I feel I ought to say that in the course of the discussions and testimony given before the congressional committee, I reached certain convictions without any previous conception of a biased or partisan sort.

Chairman WALSH. Of course, we would be very glad for you to give your opinion also of the causes. I would not want you to feel that you were limited to the solution.

Mr. COSTIGAN. I was going to say, Mr. Chairman, that the discussion of the solution ought probably to follow a very brief recital of the causes as I found them in that industrial investigation, because the remedies more or less correspond to the causes of the industrial unrest in Colorado.

I was convinced that all the causes to which I shall refer were proven to have a reasonable foundation in the minds of those who professed to have grievances, and I think the testimony given before the congressional committee, as well as the testimony taken before this body, substantiates that conclusion.

There is, of course, in Colorado as elsewhere the general human unrest which is at the basis of all progress, and there is no need of reference to that aspect of the Colorado situation. In Colorado in addition to that underlying cause there has been a feudalistic system with absentee control, long prevalent, especially in the southern field, on the part of the employers toward their employees; and this system has been perpetuated largely through the political dominance of great industries in that field. Last spring a State senator, who resides at Colorado Springs, visited Ludlow, and following an investigation which he conducted there after the tragedy at Ludlow, he made a statement to me which I think concisely illustrates the matter I have in mind. He said he had found, after a searching inquiry into conditions in southern Colorado, that the motto of large industrial concerns, especially in Las Animas and Huerfano Counties, might be expressed in two words, "We rule." He said the practice of the coal companies, as he knew from his investigation, had been to assert ownership throughout southern Colorado, the ownership of courts, executive and legislative officials, of coroners and other jurists, of the churches, of the saloons, of the schools, of the lands, of the houses upon the lands, and eventually a certain ownership over the men who toil upon the lands. And this senator, speaking to me, said that these operators were surprised when in September, 1913, their motto had been taken up by the employees in southern Colorado and had been answered in practically the identical words—"We rule." This senator felt that was a comprehensive description of what had occurred in that part of Colorado, and he and I agreed that the time had come in Colorado for the people of this State to say alike to capital and to labor—"The people of Colorado rule, over every special interest, with justice, of course, to be exercised alike toward labor and capital."

Another underlying cause which has been long continued and long manifest in Colorado, but one which has been much less recognized in our industrial difficulties, in my opinion, has been the fact that our difficulties in the coal fields have grown out of and are related to a public necessity capable of monopoly. The public, of course, immediately recognizes the seriousness of an industrial difficulty in a field of that character, and quickly arrays itself, whenever a difficulty arises, on the side of the employers or of the employees. At least portions of the public take sharp positions in controversies which involve a public necessity, where the public, of course, in the end is obliged to pay the bill. Here, for instance, in Colorado we have been paying the bills twice for the great strike which has been in progress; once in the million-dollar debt incurred through sending the militia to the field, and again in excessive prices for coal.

In addition to these underlying causes there have been, of course, many acute, more or less superficial, reasons for industrial difficulty which may be grouped under the one head of lack of law enforcement and just working conditions, and the denial of constitutional rights before and during the strikes extending from 1910 to 1914. Among these causes, referring now more particularly to those existing before the strike, we find the denial of free speech, of the right of petition for the redress of grievances, and of the right of assembly, concerning which there has been considerable testimony given here. I have in mind, for example, the testimony of Dr. McDonald, of Aguilar, whose statement I listened to the other day. This situation, of course, has been largely due to dominance in the political field by great industrial concerns; and under this head, or, at least, following from the existence of this condition, may be put the refusal of the operators to meet and confer with the workers or strikers in advance of the calling of the strike or during its continuance.

The avoidance of the various laws in Colorado—their nonenforcement—has, I think, also been thoroughly proved. Take, for example, the semimonthly payday law of 1901. I think I heard Mr. Welborn testify here the other day that his company partially put that law into effect in 1913.

Discriminations against union men are overwhelmingly shown by the congressional record, if not by your own, the laws of 1897 and 1911 to the contrary notwithstanding. There is a mass of testimony upon this subject either available or in the record.

The same disregard of the antiblacklisting law was shown in the congressional hearing. The two statutes of 1897 and 1905 have been apparently continuously violated. There is at least much uncontradicted testimony showing such violation.

The resistance to the operation of the eight-hour laws in Colorado furnishes another chapter in the industrial history of this State, and is well known by all old-time residents of Colorado. In 1899 the legislature of this State passed an eight-hour law dealing with work in underground mines and smelters. That law was declared unconstitutional by our supreme court, in what is known as the Morgan case, in the fall of that year, our court running counter to the views of the Supreme Court of the United States and of the Supreme Court of Utah, recently expressed upon the same subject. And immediately following that decision there began a long political industrial struggle in Colorado which resulted finally in the adoption of a constitutional amendment in this State permitting the legislature to enact eight-hour laws in those fields in which the legislature declared there was danger to human life; yet after this popular action there was much resistance by employers to the putting into effect of the laws subsequently enacted.

The same indifference in law enforcement was found in the testimony in the congressional hearing applicable to the antiscrip law of this State, which was adopted in 1899. There was evidence that scrip was still being used in this State this year, not by the Colorado Fuel & Iron Co., which recently abandoned it, but by one or more of the other companies.

The complaints concerning checkweighmen and short weights likewise have been shown to be well grounded, notwithstanding the enactment of a law upon that subject in 1897; and this subject has been a particularly aggravating source of industrial unrest, because, as we found it in southern Colorado, men have felt, where they have been short weighted, as they express it, that they have been subjected to the same imposition that the average citizen resents when having his pockets picked of his earnings.

In the field of preventable mine accidents and deaths, we have also had striking grievances. The Colorado Bureau of Labor has issued a report—the report of Mr. Dalrymple—showing that not less than 50 per cent of the shocking accidents in this State have been of a preventable character. At least Mr. Dalrymple makes that assertion, and, I believe, every well-informed citizen must realize that a large proportion of the mine accidents in Colorado have been preventable through the enforcement of our existing mining statutes. This grievance, it seems to me, ought to be considered in conjunction with the worker's view referred to in a measure by Mr. Hayes, this morning, that death by avoidable accidents in the field of industry is fundamentally death by violence, and essentially subversive of human rights. This view is surely entitled to respect. Many men have felt in the southern fields that the distressing tragedies, for instance, of last April, from the standpoint of the worker, were not as lamentable as from the standpoint of the ordinary citizen, because labor has from year to year long paid an excessive toll in accidents and deaths of a prevent-



able character, had the laws of this State been enforced according to their letter—not to mention their spirit.

There should be emphasized of course, in this connection, the grievance on which the members of the commission have spent much time—the absence in Colorado of workmen's compensation laws, and, in that connection, the control of coroners and other juries, about which the commission has heard much.

The employment of mine guards, who, for a price have tended to stir up trouble in the southern field, has been another proven source of complaint.

To turn from these general conditions which, as is well known, prevailed during the period before these strikes, to the causes of industrial dissatisfaction during the strikes, we have the use to a very considerable measure of private detectives and deputy sheriffs and the making of private war in southern Colorado; and I wish merely to mention this unfortunate situation in passing. It is quite unnecessary at this time to review the circumstances under which arms and ammunition were clearly shown to have been brought into this State and used here.

The violation of the peonage statute of the United States of 1867, was something also shown in the congressional hearing. To that subject, I think, this commission has not directed its attention. The shipments of strike breakers, intelligent and uninformed, into the strike district was clearly shown; and under the doctrine that compulsory service for the cancellation of indebtedness, whether by force or intimidation, constitutes peonage, I am satisfied it was clearly proven that peonage did, for a time at least, exist in certain of the mines of southern Colorado, notwithstanding the Federal law; and that there was the same lack of regard for the Federal statutes in that respect as there had been previously in the State laws. This attitude was shown by the admission of certain of the employers with reference to the violation of the postal laws of the United States; but that, of course, did not constitute so grave a source of complaint as the holding of men for the working out of debt.

The disregard of the antideception law of the State of Colorado of 1911 was likewise shown. Under that statute workers were supposed to be informed in advance of employment of the existence of a strike in a district, when there was a strike in progress; and lack of knowledge on that subject, I think, was fully shown by the testimony, in the case of many men shipped in from the Pittsburgh district.

In addition to the complaints of which I have spoken, many instances of abuse by the militia, with or without the authority of the commanders, were brought to the attention of the congressional committee. The Moyer decision (35 Colo. Repts., p. 159), perhaps, ought to be considered in connection with these abuses. I think I may fairly say that well-grounded lawyers and judges are practically in accord in holding that the courts of Colorado and West Virginia have erred in upholding extremes of military action; and that the sound doctrine is that the privilege of the writ of habeas corpus should not be suspended without legislative sanction; also that whenever the courts are open, as they were in southern Colorado, during most of the trouble—of which we have heard—and when actual war is not in progress, no person not engaged in the commission of violence should be arrested without a warrant, and no person whatsoever, except during the progress of active conflict, should be detained in custody without a charge being filed and an opportunity for a hearing being afforded. These fundamental views of constitutional rights were repeatedly and flagrantly violated by the militia in southern Colorado.

In the face of these causes the remedies almost suggest themselves. Many disinterested people in Colorado not connected with either side of the controversies in this State have given serious thought to these remedies. The first of the remedies on which they are agreed is law enforcement. Genuine law enforcement would undoubtedly go far to relieve many of the causes to which I have made reference, especially if law enforcements be given its larger sense of the recognition of all legal and constitutional rights.

A second necessity, as many of us view the situation, is a different attitude of mind. People should recognize that a change has arrived in the development of civilization and that the old individualistic point of view must yield to the social point of view. The cooperatively disposed employer should stand ready, with or without law, to work with the cooperatively disposed employee; and in this connection labor's right to organize, already recognized by the letter of the Colorado law, and to do collective bargaining, should be acknowledged in fact as well as by our statutes.

Steps also should be taken which will make life more human for the workers

in Colorado, particularly in the southern fields. The workers should be encouraged to own their own homes. They should be encouraged to help raise their own standard of living; and I think the testimony here, some of which appeared in letters quoted this morning, substantiates the view that the unions do definitely make for better standards of living. The standard of education, to which the unions contribute, as shown here by the witnesses themselves and by their testimony this morning, should likewise be directed along lines of safety, comfort, and civilization.

The workers should also be assured, not only here but elsewhere, of fair wages, workmen's compensation in cases of accident, insurance and pensions to cover the calamities that attend the ordinary activities of the workers' lot. And in this connection, I think, should be remembered what one of the witnesses this morning emphasized, that in States like Iowa and Illinois, not to mention others, where coal operators make contracts with the workers, and the men own their own homes, the coal camps are about as peaceful as the farming communities. Congressman Foster, of the congressional committee, has personally stated this to be the fact in his own State of Illinois.

The public-necessity aspect of coal mining, in the opinion of many of us, should also result in its being made constitutionally a public utility, subject to regulation by law along all needful lines. At the present time coal mining, notwithstanding this public aspect, is treated as private business, and the community has again and again been openly or inferentially warned that its need for coal might be ignored by the owners of this great public necessity. The public ought not to be subjected to such a threat if the law can—as it can—prevent the danger of the curtailment or suspension of the service of a public necessity; and that very threat, without question, has resulted in a hardening of the public attitude toward just complaints which otherwise would have been received with human sympathy and understanding.

It may interest the commission to know, also, that in Colorado, which owns most valuable coal properties, other helpful remedies are available. We have at this time, as I think Mr. Welborn testified, many valuable acres of State school land now being leased to coal companies on the basis of 10 cents per ton royalty. These lands have been among the most productive in the State of Colorado; and there is no reason in the law, and certainly none of a public character, why these leases should not be revised under law so as to provide for fair wages, for just working conditions, for law enforcement, and even for the fixing of a retail price on coal mined on the State school lands, through the allowance of a reasonable return upon the investment of the lessee over and above the cost of mining and operation and sale. In this connection the State operation of State coal lands could very easily be provided for, at least by constitutional amendment, and a policy of conservation could be, as it should, supplemented in Colorado, as by the Federal Government where it owns coal lands, through the sound use and production of natural resources.

Supplementing this control over State or Federally owned coal lands, we believe some relief from existing conditions would be achieved through provision under law for the State and Federal operation of other coal lands than those so owned in case of emergency, reasonable compensation, of course, to be paid to the owners for such use.

In addition to these steps to remedy the complaints of which I have spoken it has been the judgment of a large group of independent thinkers in this State that there should be laws for State and Federal arbitration of strike disputes, preferably along the lines of the Canadian arbitration disputes act, providing for the compulsory investigation and the noncompulsory arbitration of disputes.

In this connection the Federal law of 1913 relating to controversies on railroads, known, I believe, as the Newlands Act, is suggestive as embodying the feature of noncompulsory arbitration by agreement, which idea will also be found embedded in the Canadian arbitration disputes act. It should be remembered that all legislation upon this subject is more or less experimental and that there is no ready-made cure-all for the difficulties.

In addition to these remedies, I personally have been impressed with the view that there should be clearer State and Federal legislation defining constitutional rights, especially when the militia is in the field. The tendency toward arbitrary exercise of power is great wherever power is lodged, and the use of the militia in labor disturbances has afforded no exception.

Colorado's experience decidedly suggests a number of Federal remedies both including and in addition to those here proposed. These were enumerated in the brief in the congressional hearing to which the chairman of this commission

referred, and I think it will be sufficient if, even at the expense of some repetition, I may have leave to read into the record the specific remedies suggested in the brief in question. [Reads:]

"Federal legislation, carrying penalties for violations, along the following lines was earnestly recommended:

"1. Rigid prohibition of interference with United States money orders, mails, and post offices, protecting the inviolability of correspondence, requiring free public access to post offices, fixing unequivocal Federal jurisdiction over the same, and maintaining public rights of way to and from the same for any and all users.

"2. New statutory definitions of peonage, including interstate movements of workers, and forbidding any system of forced labor for the working out of any debt, as in violation of public morality.

"3. A Federal antideception law, forbidding misrepresentation, fraud, or force in foreign and interstate employment of workers.

"4. The prohibition of interstate shipments of workers in strike disturbances to take the place of strikers.

"5. The prohibition of the interstate movement of guards, gunmen, and private detectives, and of the interstate shipment of firearms and explosives for the maintenance of private war, whether during or in anticipation of strike disturbances.

"6. The prohibition of arrest, trial, or conviction of persons, or the taking of property without charge, notice, and due opportunity to defend, under judicial conditions, with clear legislative definitions of generally recognized constitutional rights.

"7. The supervision of all corporations doing interstate business and their Federal licensing, with power to revoke when required by the public welfare.

"8. The prohibition of interlocking directorates and of 'dummy' directors for corporations engaged in interstate commerce, with personal penalties attaching to individual officers for corporate violations of law.

"9. Full legal recognition of labor's right to organize, with prohibition of discrimination against organized labor and its products in interstate commerce; also full legal recognition of labor's right to do collective bargaining with capital operating collectively.

"10. The unqualified fixing of the status of coal mining as a public utility.

"11. Strong Federal provisions for arbitration in labor disputes involving public utilities doing interstate business, with continuing service to the public, subject to fines for violation, pending an attempt at Federal arbitration.

"12. Provision for the taking over under law of the management and operation by the Government of public utilities doing an interstate business for the benefit of society, on just terms, pending settlement of industrial controversies."

These suggestions ought to be tested and modified, in my judgment—all of them—by the view that the rights of society are supreme over every and any special interest whatsoever, whether of labor or capital. The human end of the problem should not be lost sight of. Labor represents manhood, womanhood, and childhood. Capital represents machinery and earnings. Labor is therefore more important. This was Lincoln's view, and it is, in my opinion, fundamentally sound. I wish only to add to this summary of causes and of remedies the statement that the remedies proposed are not exhaustive, but they certainly constitute valuable steps to the new freedom, or better still, to the new and universal justice.

Chairman WALSH. That is all. Thank you very much, Mr. Costigan.  
Mr. Linderfelt.

#### TESTIMONY OF MR. K. E. LINDERFELT—Recalled.

Chairman WALSH. Mr. Linderfelt, I was told that you desired to make some statement, perhaps in contradiction of something that has been said here by some other witness.

Lieut. LINDERFELT. Yes.

Chairman WALSH. And I wanted to give you an opportunity to do that, but it must be a very brief one, because, you see, we have a regular set program and are leaving this evening. What was the particular thing to which you wished to direct our attention?

Lieut. LINDERFELT. I understood Mr. Doyle wished me to be asked the question if it were not true that Martin, who belonged to my command, was killed by ourselves because of his sympathies for the union.

Chairman WALSH. I think he said upon the witness stand that he would like it if Mr. Linderfelt had been asked whether or not it was not known that Mr.

Martin, who lost his life there, was sympathetic toward the union. I think that about states what he said.

Lieut. LINDERFELT. Yes; the man belonged to the union at one time, I was told, but at that time I did not know it—belonged to some union.

Chairman WALSH. Well, had he expressed any sympathy toward unions generally while in the field?

Lieut. LINDERFELT. Yes; to a certain extent, I think. Just as I had when I first went down there.

And then I have some shells that I wanted to present.

Chairman WALSH. Very good.

Lieut. LINDERFELT. You asked first about that clip—the Army clips.

Chairman WALSH. Yes.

Lieut. LINDERFELT. Here are two. Our clips are made at the Frankford factory and bought from the Government and furnished the State and consisted of these shells here with an alloy steel jacket with lead inside to weight it; and that is one of the service clips [exhibiting the clips to the commission].

Chairman WALSH. You will offer those in evidence, will you, and let us just take those?

Lieut. LINDERFELT. Yes, sir. Then, I have some samples of shells taken from John Lawson's tent in the tent colony, and these I have were taken from about 19,000 rounds. This heavy shell marked "45-702" is drilled in the center so that it has what is called the air-cushion shell. It explodes on impact from the compression of the air and makes a frightful wound. Now, there are three of those, or two of them, drilled. Now, this shell [picking up another] is marked "C. D." and "C-90" and is a brass bullet, which is the same as the poison bullet used in the Philippines. I have seen seven men struck in the leg with those bullets. One of them recovered only by amputating clear to his hip. He was struck in the foot. The others [picking up two other shells] are 30-30 bullets that are cut and notched to tear, probably due to the reason that there such poor shooting was done, because a bullet of that kind is not a bullet that will carry straight. These two are samples of their bullets, and here are two marked "F A 2 12," which are shells made for a .45-caliber pistol bullet used in the service. And these [indicating two others] are two "32" bullets that have been cut off there and drilled to tear. And this [exhibiting another] is a shell marked "R W S" "Velo-dog," which is a French shell, made for bicyclists in France, I understand, with a brass-copper jacket, which poisons.

Chairman WALSH. Made for bicyclists?

Lieut. LINDERFELT. Yes; used by the bicyclists in France. Well, "Velo" means wheel or bicycle. Now, this shell marked "Eley No. 1 EXPs" is the shell or bullet used, fired from a gun in hunting elephants or any large game. It has a fulminate cap in the end of it and explodes on impact, tearing a frightful wound. This is one of many, and these are samples of many of the shells to be found in his tent, and his tent was marked by his name.

Chairman WALSH. Anything else you wish to say?

Lieut. LINDERFELT. No.

Chairman WALSH. Thank you; that is all.

(The several clips and shells above described were offered in evidence.)

Chairman WALSH. Mrs. Robinson may take the witness stand.

#### TESTIMONY OF SENATOR HELEN RING ROBINSON.

Chairman WALSH. Please state your name, Mrs. Robinson.

Senator ROBINSON. Helen Ring Robinson.

Chairman WALSH. Mrs. Harriman will examine.

Commissioner HARRIMAN. Mrs. Robinson, will you please state what office you hold and how long you have lived in Colorado?

Senator ROBINSON. I represent the city and county of Denver in the Colorado Senate. I have lived in Colorado more than 21 years.

Commissioner HARRIMAN. How did you first become interested in the coal miners' strike?

Senator ROBINSON. Naturally, I became interested at the very beginning, when the announcement was made that there was to be a strike, for I was housekeeper and home maker here, but I left Colorado before the strike had really progressed very far. I went East and spent the winter and early spring in the East and Canada, going up to Canada, by the way, in order to study the workings of the industrial disputes act, which I had hoped to introduce into the next session of the Colorado Legislature.

My acute interest in the strike was aroused toward the close of my stay East after the incident of Mrs. Jones, generally known as Mother Jones. I was speaking in the East in many cities, and toward the latter part of my visit in the East I was being constantly interrogated in regard to their holding Mother Jones, so called, incommunicado in Colorado. I suppose something in the age and sex of the woman impressed the imagination of the people in the East, and it seemed to be very much in the air—that topic—and questions were constantly put to me, after public meetings, in which I was heckled most unmercifully, as to why the women of Colorado, more particularly, consented to the holding of a woman of 82 by the military power of the State without objection or protest, apparently. That being so, after the questions had been repeated a sufficient number of times, I packed my trunk and came home, in order to find out what the true condition was. The following morning after my return I came down to the office of Gov. Ammons.

Commissioner HARRIMAN. What date was it?

Senator ROBINSON. This was in March—mid-March—the diary which I meant to bring here having my exact dates, for the first time in a week I haven't with me, as I was in Boulder yesterday and left it there. It was approximately in March, perhaps a little later than the middle of March; perhaps about the 20th of March, when I visited the governor. I found him very cordial and very friendly; and then I asked him about Mrs. Jones, and wished to know further in regard to the matter. But he seemed unable or unwilling to discuss the holding of Mother Jones incommunicado. He desired to spend his time discussing the moral character of the woman, and I couldn't get beyond that—her character in the past, 20 and 30 years ago. I couldn't seem to get any answer to my protest made to him, not exactly in these words, but in effect that he was making himself and the State ridiculous by holding her as a military prisoner, considering her age and all the circumstances. I remarked that I desired to be friendly and help him out, and I offered John Lawson as a substitute. I told him I thought it would be much better for him and for the State to hold him, Lawson, in that particular position if he desired to do so. As I say, I couldn't get him beyond the personalities of the case, and finally, in some heat, I told him that I was not at all concerned with the virtue of an 82-year-old woman, but I was greatly concerned in the rights of habeas corpus; and feeling that there was no particular help there, I left the office and began making preparations to go to the southern coal fields.

Commissioner HARRIMAN. What was your first visit to the strike zone?

Senator ROBINSON. I went down there, I believe, on the 8th of April; I believe that is the date. I had been several days making arrangements to go, because I meant to spend considerable time there. I went, not expecting to discover anything new, and certainly without any predisposition either for or against turbulent capital or turbulent labor; but I felt that I wanted to understand. That was all. I wanted, of course, particularly to understand because I realized that at the next session of the legislature we must do something for Colorado in the matter of industrial disputes.

Commissioner HARRIMAN. What did you find the situation to be, and what seemed to you to be the particular causes of the extreme bitterness?

Senator ROBINSON. Before answering that question, I would like to state also that the day before I started, my preparations being all made to go, I received a telegram from the New York American, to which paper I contribute signed editorials on social topics, asking me to go down and write an article for them in regard to the human side of the strike. So I had in a sense a double errand in going there. I had been hearing a good deal about the workingman, and I wanted to find out something if possible about the workmen; and I wanted also, in a general way, to translate if I could the terms "capital and labor," of which I had been hearing a good deal, into terms of men, women, and children. I went also as a woman to whom the change in the price of coal was a material matter, and I represented, I think, in a way, the attitude of the great body of women in my circumstances here in Denver—my circumstances being that I had no strings on me by turbulent capital, and I was in no way related to turbulent labor. I wanted to find out, in other words, something of the situation from the point of view of 80 per cent, at least, of the people of Colorado; the people who were paying from \$1 to \$1.75 a ton more for coal than they should be paying on account of the strike—or had been doing it, rather, in the winter.

I wanted particularly to go from the point of view of these men and women in Colorado who had been, we felt, in a sense disgraced by the constant recur-

rence of turbulence here. I think, perhaps, I had to go East in order to fully understand that phase of the situation. And also I wanted to realize if this thing must continue forever. You see this situation in the coal field had been going on for 30 years, during 21 of which I had been living there.

I had heard a good deal about the very bad character of the workmen down there, and believe that testimony was brought out during the congressional hearing, the statement that we had so many undesirable workmen in the coal fields—so many foreign-born people. I knew from my own investigation that, though only one-eighteenth of the population of Colorado lives in these southern coal fields, yet more than one-third of the illiteracy of the State is found there. Those, in short, were the thoughts which I had in mind in going there, keeping always in mind the fact that I probably should not have gone if I had not been a member of the Colorado Legislature with duties and responsibilities calling on me to understand the situation if I could.

I went prepared to see the representatives of the Colorado Fuel & Iron Co., and I spent a long time with Mr. Weltzel. I spent a long time interviewing and discussing matters with members of the militia. I talked with representatives of labor; I talked with the plain citizens of Trinidad. On my first visit my time was spent almost entirely in Trinidad. I went into a great many stores and places of different sorts and said, "Now, I don't know your name and you don't know mine, and I can not use your name against you in any way." I went to the merchants of Trinidad and to others, and I got answers to many of my questions.

In going to Mr. Weltzel's office, as I was going in the door by appointment, I met two members of the militia coming out of the office. Afterwards I asked an employee in the building if that was a usual incident, and he said, "Oh, yes; that happens nearly every day. We call that the military headquarters." I should be very glad to tell the commission the name of the man that made that remark privately, if desired. I asked Mr. Weltzel with some emphasis—perhaps I was aroused by seeing these two men—in regard to the statement that members of the militia were also drawing pay from the coal companies. I told him that as a taxpayer, as a woman who was paying her part of the dollar a day that was being paid by the State to support each of these militiamen, I wanted to know why he was paying \$3.50 to \$4 or from \$3 to \$5, because it seemed to me the thing for which I was paying my part of \$1 a day was directly the opposite of that for which he was paying \$3.50 a day; and, in a way, it would seem that those militiamen, if they did their duty to both of us, would have to ride horses going in opposite directions. And he said, in response to that, that the company was good to the people who were good to them, and there was no reason why he should turn from those men who had been their employees because the State chose to pay them also.

I also asked him in regard to the story which I had heard circulated that the company was in the habit of sending down the canyon the men of Scottish and British birth and others of perhaps the higher class of workmen and preferred to employ the people who are called "the outcasts and dregs of society drawn from the southern countries of Europe." In answer to that, or incidentally, he told me he preferred the Slavs above all other workmen because they were more easily managed. He was extremely courteous and helpful and gave me many interesting answers to my questions.

I will say, with regard to my discussion with the militia, that I found perhaps—if you care to hear it—the secret, as it seemed to me, of the friction between the strikers and the militia—at least one of the sources of irritation. Perhaps I saw that more plainly because I have seen little boys playing with tin soldiers, and I know that the little boys in playing with their soldiers have to have one set of soldiers that are the enemy; and so I found that the militia going down into those southern coal fields—some of them, perhaps—in some way were not far beyond the little boys' stage—had followed that boyish example—and the leaders of the militia had considered that it was necessary to have an enemy, and they had chosen the strikers as their enemy. That was plainly shown in their talks with me. I talked principally with Maj. Williams, Gen. Chase not being there. The attitude of the men with whom I spoke was plainly and strongly opposed to organized labor. There was plainly indicated a feeling of bitterness toward the strikers. This was so more particularly because they repeated constantly that the strikers were of such inferior character. One militiaman told me that if they had been American men or men of higher intelligence they would have gone back to work when the militia told them to, but that they would not do so, and they could not understand that

they were being led by agitators. The whole situation was plainly a bitter one—the bitter situation that one would expect to find after months in which there had been two columns drawn up of idle men—the militia and the strikers—with the open saloon always between them. You asked me a question, to which this was in a sense preliminary, and which I wish you would please repeat.

Commissioner HARRIMAN. What did you find to be the situation; what were the principal causes of this extreme bitterness?

Senator ROBINSON. There has been one element in the bitterness that I have never heard brought out here and it impresses me perhaps more strongly than the other causes of this great bitterness, and this element was threefold. And when I speak of these three things as being the causes of the bitterness down there in the southern Colorado field I wish to add that they were the same in Lawrence, Mass., Paterson, N. J., and various other places. First, of course, there was the contest between capital and labor, the great problem connected with that. Of course a good many of the men down there and some of those who have testified here hold to the divine right of property. A great many of the operators who testified here cherish very firmly what I might call mid-Victorian ideas of the relations of capital and labor, and out of that does grow great bitterness.

I found two other causes. One was the question that grows out of our tremendous immigration problem and the question of racial hatred which has developed in America to-day, and below that I found the great bitterness of class hatred which was fearfully strong in Colorado at that time and particularly in the southern coal fields. Of course in a sense you may say these three things are really one, but in another sense they are threefold.

And so I found during those two days of investigation in Trinidad, I found a vortex of mad, swirling hate that I did not know existed in the world until I went down there. I have read somewhere in some scientific or pseudo-scientific book that a man when very angry will exude poison enough to kill a dog. I found enough mad hatred in those coal fields to kill all the men and women that were killed at Ludlow and Forbes.

Of course, back of that and in addition to that there was the belief in my own mind, and I think this thought has never been brought out while I have been here, that a certain bitterness existed there that we can trace back to 10 years ago, when men were taken from the Colorado coal mines and dumped on the prairies in Kansas and New Mexico. That sort of thing arouses hatred in a community, and I believe that that hatred does not die with the objects that caused it, but that it gathers compound interest; I found that it had gathered that interest at Trinidad.

And then of course there were the other matters that have been brought out. I found everywhere among the strikers the feeling that to their employers a mule was of course of much greater economic value than a man. Understand, I do not know that that is true. I only tell what I have been told there—that if a choice came as between saving a man and a mule in a mine accident that the bosses would choose the saving of a mule. I tell that story to illustrate the bitterness—not that I can vouch for it in any way.

Commissioner HARRIMAN. Will you please state what you found to be the conditions of the strikers and their wives and children—their living conditions?

Senator ROBINSON. I found more in regard to their condition on my second visit. I had gone down there with the intention of spending at least a week, but at the end of the second day, with all these interviews, it seemed to me that the situation there was being staged for my particular benefit, not only by the representatives of organized labor but by the operators and everyone, and that I could not perhaps find out in an impartial way things as clearly as I wanted to.

After the two days down there, during which I visited tent colonies, I did not feel that I knew very much about the situation, after all. In the tent colonies I found the people pretty comfortable, and they seemed to be rather happy. You see, the winter was over and passed, and the spring was coming, and it comes very beautifully among our Colorado mountains, and among the women particularly and many of the children I found that this long winter had brought the nationalities together in a rather remarkable way. I found a friendliness among the women of all nationalities—22 at least—that was certainly an example for some of the rest of us who have lived here a long time. I found among the children a great deal of friendliness, and I saw the true melting pot set up at Ludlow. This friendliness was among themselves, but if a militiaman came up, then the little child who a moment before had looked

like one of Raphael's cherubs immediately became a little fiend in his appearance and would call out "Tin Willie," or "Scab herder," or something similar, to the militiaman. This is an illustration of the bitterness of which I speak.

I came back then at the end of the second day and sent a long story of the situation to the New York American, and then I went back again. Only this time I went to Walsenburg, and no one knew this time that I was going except a friend of mine in Walsenburg whom I visited. I would like to continue this story for a moment.

Commissioner HARRIMAN. We would like to hear it.

Senator ROBINSON. Because it leads to Ludlow in a sense. I visited the tent colony at Ludlow and talked with the men there, and in this connection I will say that I observed the stoves in the tents. I think this matter of stoves is important from the fact that so much has been said about the stoves setting fire to the tents by being overturned. I will say that the peculiar thing about those stoves is that they were very large. I think the average stove in the tent colony was about as big as this desk [indicating], and it seems to me that it would take a German siege gun to overturn one of them.

The second day I was in Walsenburg I found that something which had impressed me as most ominous at Ludlow was still more impressive at Walsenburg. I found a "waiting" atmosphere. The people at Ludlow had shown me pits in which they said they were going in case there was an attack by the soldiers, and for some reason or other the people in Ludlow believed that such an attack was imminent. I could not say why, but what I am giving you is my impression. I could not see any reason why they should think so, but the feeling was very present there.

On Saturday night at Walsenburg I was given a reception, after having spent two days there, by the Democratic county committee, and I talked with the men of that committee and I was again most strongly impressed with the fact the feeling I had had at Ludlow that the stage was being set for action, and I found that the feeling seemed to center around the enlistment of Troop A. I shall in a moment ask to read into the record the muster roll of Troop A. I found young men, husky young men, but not in sympathy with the coal operators, who declared they had tried to enlist in this troop and had been rejected on account of physical disability. Several young men told me that. Everywhere the feeling seemed to be that Troop A had been enlisted for a purpose, a sinister purpose. They told me that all of the members of this new National Guard troop were representatives of the Colorado Fuel & Iron Co. or guardsmen, and that they were not being enlisted for nothing.

So much impressed was I by the result of my two-days' investigation that I took the night train back to Denver. I had no intention of returning for several days. At 9 o'clock on the following morning I was at the governor's office to tell him my own experience and that the situation was more ominous than his advisers had let him know and that something must be done, it seemed to me, to alleviate the situation. I understood that "something" was to happen about Thursday.

When I got there I found the governor had gone to Washington on matters of business and there seemed to be no help.

That afternoon I was called up by my friends, who told me of Ludlow, and asked me if I could not do something, anything to make the women of Denver understand what the situation really was.

Commissioner HARRIMAN. What did they tell you about Ludlow?

Senator ROBINSON. At Ludlow it was an atmosphere of dread. The women told me they thought something was going to happen. The men—I talked to Fyler and to Tkas—the men did not say much about it to me, but the women with whom I talked seemed to be afraid that something was going to happen to them. I found it even more strongly in Walsenburg. You remember it was before Ludlow. I believe at that time if you asked three men out of four in Walsenburg, who were not in some way associated with the mine operators, if something was brewing there, they would have answered yes.

It was in the afternoon that I heard from Walsenburg and got word asking me to try to get the truth of the matter into the papers and before the people of Denver.

Commissioner HARRIMAN. Did you hear any threats made by militiamen that they would take and destroy the Ludlow tent colony?

Senator ROBINSON. No.

Commissioner HARRIMAN. After the fight at Ludlow on April 20—first, did you return to Ludlow before the attack on the tent colony?



Senator ROBINSON. No; I returned to Denver. I got back to Denver the morning of the attack. It was the 20th of April. It was on the morning of the 20th of April when I saw the governor, because, after being down there two days, I felt that something serious was imminent.

Commissioner HARRIMAN. Well, after the fight at Ludlow on April 20, what was the condition of the public mind in Denver?

Senator ROBINSON. That depended a good deal on the financial connections of the people. I found, directly after Ludlow and before Forbes, that the people were generally strongly and earnestly bent only on making an end to the conditions which had made Ludlow possible. I found that the great mass of men and women of Denver said, "We must stop this situation; we must have peace." And a great effort was made, particularly by the women of Denver as well as by many of the men, to secure the getting here to Colorado of Federal troops. Many of us felt very strongly that while the bad name, which was given to it was deserved only by a small part of the militia, still the situation was so serious that our militia could no longer handle it. As was said to Gov. Ammons at that time, the militia could not again go into the strike zone with clean hands. It was at that time that the women of Denver did something in helping to secure the sending of Federal troops here—something to help the people to understand the situation there. Do you care to hear anything in regard to their meeting?

Chairman WALSH. Yes.

Commissioner HARRIMAN. Yes; I think we would like to, very much.

Senator ROBINSON. Of course, there was a preliminary meeting in which the situation was discussed. There was a second meeting called here in the State capitol. The only effort of the women was to secure peace. I will say for myself that I was strongly and most earnestly impressed with the desire that Federal troops should be brought here, not that they could settle anything, but that there could be a truce established during which we might be able to settle something.

I felt the more strongly about the situation, because for four months I had been East talking and all the time had repeatedly made this statement, in speaking of the work of men and women: I had many times declared in public meetings that it was the duty of men to see that the wheels of industry went round and that it was the duty of the women to see that there was no blood on the wheels; and I felt that it was an opportunity to me to join with many other women in helping to bring peace.

I will say that at that meeting of women in the State capitol for the first time there was drawn together women representing all classes of society. I have never seen in Colorado a meeting in which various social grades, so to speak, were more fully represented. There was in that organization, in that meeting of women, the wife of a mine operator, there was the wife I know of at least one militiaman, there were the wives of strikers, there was the widow of a Chief Justice of the United States, who had won fame for himself by writing a dissenting opinion in regard to the Moyer decision. There was also present the wife of the present chief justice of the State. There were women whose names appear in the society columns, and there were women who earn their livelihood by scrubbing office buildings. It was entirely democratic.

A committee of five was chosen by the organization to see the governor. I was chosen as chairman of that committee. Perhaps I am talking too long?

Chairman WALSH. No; it is very interesting.

Senator ROBINSON. We went to the governor's office and asked him to come up here before the organization of women who were desiring peace. We told him that we were not there as representatives of capital or as representatives of labor; that we recognized there was wrong on both sides of the conflict, but that we were there simply as representatives of the citizenry of the State and of the city, and that we wished him to come before the meeting. He said to me in a most hysterical way, "I can not come now, because I have men with me in the inner office," and he pointed to the inner office where many representatives of the mine operators were assembled, "Men who were desirous of helping me establish peace. They are men who have great stakes down there." I said, "We also represent a convention of women who have great stakes down there, the precious lives of our young sons in the militia, and at least one of us has a husband down there who has been guarding over the strikers of the tent colony," and we asked him if he would not come. The governor finally came to the meeting. We were assembled in the legislative chamber across the hall, and Mrs. Robert Steele, the chairman of the meeting,

gave to the governor our wishes that he should telegraph Woodrow Wilson for Federal troops. The governor promised to take the matter under advisement and went down stairs, and the assemblage joined in singing as he went out, "Guide me, oh, Thou Great Jehovah."

Afterwards, the committee of five spent some time in the governor's office. The thousand women assembled spent the time in the legislative chamber. The thousand grew smaller and smaller as time went on, but there were never less than several hundred there. They spent the time in singing hymns and waiting. Two or three times the committee reported, and finally at about 9 o'clock that night the committee read a telegram sent by the governor asking for Federal troops, and the assemblage dispersed after singing "Praise God, from whom all blessings flow."

I will say that several weeks after this meeting I heard from Walsenburg that at the time that assembly was in session here that there was a meeting of women down at Walsenburg, gathered together praying that the work we were trying to do might be effective, and that the troops might come. I will say in passing, also, because I have sometimes heard the statement made about it being a gathering of hysterical women, that during that entire time I never saw any manifestation of hysteria. Most of the women were as calm as though they had been at home in their own gardens, picking white phlox. I did see some manifestations of hysteria, but it was with those men who had financial interests greatly at stake; but those manifestations were not in the room where the women were gathered.

Commissioner HARRIMAN. What seemed to you the greatest danger of the situation following Ludlow?

Senator ROBINSON. Just that danger, I tried to bring out before—the danger that the situation was preparing, perhaps, for a tremendous cataclysm; that perhaps there was going to be more slaughter there, and I believe at that time that the passions of both sides were aroused to such a pitch that they both would have welcomed a chance to fight it out on the southern field.

Commissioner HARRIMAN. I understood you to say that you felt that atmosphere before. I am now asking you about afterwards. Afterwards, did you feel the same thing?

Senator ROBINSON. That is why we wanted the troops, to prevent any further bloodshed.

Commissioner HARRIMAN. You felt that was the greatest danger?

Senator ROBINSON. I felt it was the great danger then. The bringing of the troops was to be preliminary to the settlement that would bring peace conditions. Before we could do anything then, we had to stop the slaughter and bring peace down there.

I will say that never for a moment do I mean to represent that the women were the only people who were asking the governor to send for troops. The editor of the Rocky Mountain News and the Denver Times sent a telegram to President Wilson asking for troops, and, many other people did so.

Commissioner HARRIMAN. Did you take any other opportunity or any other part in influencing public opinion, aside from the meeting you have told of?

Senator ROBINSON. I spoke several times to gatherings of women, smaller and larger; I appeared once before the ministers' association, and talked to the ministers.

Commissioner HARRIMAN. Could you describe your meeting with the ministers in Denver?

Senator ROBINSON. Yes; I told the story of what I had seen down there. I blamed the ministers for permitting certain conditions to exist so far as the lack of social welfare was concerned. I remember speaking rather forcibly, because I wanted to arouse them, and I think one has to speak rather forcibly to arouse those whose positions in many cases depend upon the capitalistic class. Many of the ministers realized what the situation was, and that many of our hands were stained with the blood that had been shed down there. There were, however, some of the ministers, as there must always be in such cases, who, being more or less controlled by the opinion of capital, rather resented the statements which were made. I remember feeling, in regard to one or two of the ministers, very strongly, recalling the story of Christ and the rich young man, that had they been disciples of Christ at that time, they would not have followed Jesus, but the rich young man. On the other hand, a great many of the ministers were strongly impressed by the situation and desired to do something toward helpfulness.

Of course, the social conditions down there are very bad. It was along the line of the social conditions that I at that time, especially appealed to the ministers, when telling them they were to blame for allowing such social conditions to fester.

Commissioner HARRIMAN. Is that all in regard to the ministers?

Senator ROBINSON. Yes.

Commissioner HARRIMAN. I am requested to ask you who called the meeting, the meeting that was held here by the peace association?

Senator ROBINSON. It was called by the Peace Association of Denver, of which Mrs. Alma Lafferty was, and, I think is, president.

Commissioner HARRIMAN. What, in your opinion, is the relation between the industrial conflict in Colorado and the political situation?

Senator ROBINSON. As I think has been brought out very frequently here, the relations dovetailed. I will say that, in making this statement and forming my opinion, I do not speak entirely from visits to the southern coal field; but I was a member on the committee of privileges and elections which had to do with investigating the situation down in Huerfano—no, down in Las Animas County, in which Trinidad is situated, because of a contest in the last State senate. I sat for three weeks and listened to the story of the political conditions down there, and long before the calling of the strike was ordered I realized in a sense that the industrial situation was hopeless, because the political situation appeared to be hopeless. I found that while the counties of Las Animas and Huerfano are geographically a part of Colorado, yet industrially and politically they are a barony or a principality of the Colorado Fuel & Iron Co.

Such situations, of course, must mean a knitting together of the industrial and political situation, and I don't wish to say that the Colorado Fuel & Iron Co. have limited their efforts to Las Animas and Huerfano Counties. If that were so, the situation in the State itself would not be so seriously affected by them; but they have in time past reached out beyond the boundaries of their principality and made and unmade governors; men who desire positions of high place in Colorado would be very loath to antagonize them, whether they lived in Las Animas or Routt County, or in Denver, and it would not matter in that case to which political party they belonged.

Commissioner LENNON. I want to ask you just a couple of questions. Did I understand you, correctly, to say that the price of coal was increased from \$1 to \$1.75?

Senator ROBINSON. I was not in Colorado during the winter. I went away before the price went up, and stayed away until it had gone down, but I have heard such stories. I know my husband told me coal was up something more than a dollar per ton higher than its usual price.

Commissioner LENNON. Is that usual in Colorado in the winter time, or not?

Senator ROBINSON. It was put up for a time, and the price then dropped back. It was not usual, the price was an excessive advance. I do not feel absolutely accurate about the figures, as I am talking from hearsay, but the price advanced materially and remained materially advanced for some months.

Commissioner LENNON. You mentioned the Canadian labor disputes act, and rather indicated you had an intention of introducing that into the next session of the legislature. Have you given the act substantial study in its application?

Senator ROBINSON. I have spent all the time I had of leisure of the last year in studying it. I will say, if I may speak in that connection for a moment, that I would like to return, if I may, for a moment, to the special session of the legislature, after you have asked me your questions.

Commissioner LENNON. That is the only question I desire to ask, in connection with the labor disputes act of Canada.

Senator ROBINSON. It was for that purpose that I went to Canada. I found many people that did not believe in it, or thought it did not work. I found some that approved of it. I found them perhaps half and half, and I interrogated about 200 people.

Commissioner BALLARD. In connection with that labor disputes act of Canada, does anything occur to you that will avoid disputes of this kind in the future?

Senator ROBINSON. There are two answers to that question. One, of course, comes always to my mind and is not perhaps in the field in which such a commission as this would investigate. I feel personally that the only thing that will alleviate the present conditions between labor and capital is not an industrial disputes act or legislation, but what the old-fashioned New England people speak of as "More of love of God in our hearts," more cooperation, bet-

ter relations between men and women, between workers and employees, and between the various classes. I believe that the question of personality in labor questions bears a larger part than we think, and to illustrate that for a moment, I would like to refer to Henry Ford, of the Detroit Automobile Works, or a man like John Patterson, of Dayton, and I think if there had been men like them connected with the Colorado Fuel & Iron Co. there would have been no strike.

Commissioner BALLARD. You advise closer relations, do you?

Senator ROBINSON. Yes.

Commissioner LENNON. Are you aware of the fact that Patterson is the worst employer of labor in the United States?

Senator ROBINSON. I think he had a reformation in heart. I talked many times with him, and I knew there had been strikes there, but I still believe him sincere—his feeling of sympathy and understanding of his workmen is ideal.

Commissioner HARRIMAN. Did you wish to say something more about the session of the legislature?

Senator ROBINSON. Yes; because the statement has been made before this commission that the last legislature was not able to bring before the legislature any measure of relief in this situation. The governor made such a statement. I want to say that he must have been mistaken, because in this senate there was a very strong effort made to pass a resolution calling upon him to extend a call so that we could do something to prevent such a strike occurring again. We were not perhaps so much concerned just then with the last strike as we were with the next strike, and a resolution was introduced—I moved its adoption—asking the governor to extend the call. To the surprise of everybody, including myself, the resolution carried. It had before already passed the house. Under its terms the governor would not be forced, but at least he was requested to extend the call, or adjourn us and call us again immediately. It passed by a vote that was conclusive. It had not been passed five minutes when I saw the governor's secretary up here talking to a few people who were easily influenced. In a few moments I found various representatives of the operators here discussing very earnestly with three or four people, something, and that noon I remarked casually to one of the men, "I suppose they are going to reconsider that resolution?" And he said, "Oh, yes; we will have to." And it was reconsidered and there was a sufficient vote after the reconsideration to rescind the action that had been taken.

I will say in this connection that Senator Burris of Pueblo had prepared and ready to introduce and did introduce a very carefully worked out act providing for the mining of coal by the State on school lands. It was very carefully worked out and drawn up by men of very high legal acumen. I will say also that Senator Affolter, who represents Boulder, had ready a measure declaring coal mines public utilities. I had the Canadian dispute act, which had to be modified and improved. And there were other measures to bring before the senate, if their scope could be enlarged.

Senator Robinson, of Colorado Springs, who, I believe, was the man referred to by Mr. Costigan—Senator Robinson had prepared an arbitration court act, which seemed to me on the whole, for that present emergency the best of all.

Commissioner HARRIMAN. Is there anything else that you wish to say?

Senator ROBINSON. Nothing.

Chairman WALSH. That is all, then; you may be excused, Mrs. Robinson.

#### TESTIMONY OF MR. EDWARD L. DOYLE—Recalled.

Chairman WALSH. Mr. Doyle, you sent a request to the commissioners asking to be heard again, but we can give you but a brief hearing.

Mr. DOYLE. I only desire to make a statement concerning some correspondence that came out yesterday, but before doing so, I want to, as a matter of record, have it made known that in my remarks Monday concerning girls employed in department stores, I did not intend to be personal in my answers to Commissioner Weinstock, who I have since learned was formerly interested in department stores. I did not know that when I made the remarks. While I was speaking generally, I perhaps became heated in making answers to questions asked, and thought perhaps the commission was of the opinion I was attempting to be personal, and I feel that in justice to Commissioner Weinstock the record should show that I did not even know at the time that he was formerly connected with department stores.

I also want to state that when you repeated the substance of my remark concerning Pvt. Martin, who was killed at Ludlow, that your statement was sub-

stantially what I had asked—to find out whether or not that was the fact, and am glad to find out it was corroborated.

My main purpose in asking to make a statement here was in connection with testimony given here by Mr. Welborn to the effect that the miners were content, were satisfied, and that they were being stirred up by agitators from the outside, and that was the only reason for the strike; that these men who had signed, 90 per cent of them did not want to go on a strike just previous to the strike. I want to make it clear that the petitions that were signed were not signed only by those who did not want to go on strike, but by those who were going on strike. Every time the question was asked they appealed for a miner to support their word, but signed those petitions when they came around so they would not be discharged before the date of the strike, and we encouraged them to sign them. In many cases we had instances where married men were living in company houses that would not take out their membership in the organization until the time of the strike or afterwards, so that they would not be discharged and their families made to suffer.

In connection with the correspondence introduced yesterday, I have copied an extract here which reads as follows. It is from Mr. Welborn to Mr. McClement, one of the associates of Mr. Rockefeller in New York. It is under date of September 6, 1913, just previous to the strike:

"MY DEAR MR. McCLEMENT: For 30 days or more officers and organizers of the United Mine Workers of America have been in Colorado attempting to induce the men to join their union and threatening a strike if the coal operators will not make a contract with the organization recognizing it as the representative of the coal-mine workers employed here.

"Our company and all other operators in southern Colorado have always been opposed to recognizing that organization. Wherever it has contracts with operators it has dominated the business to such an extent as to reduce the output, reduce the earnings of the men, and practically to dictate the general policy of operation of coal mines.

"We know that only a small percentage of our men belong to the union and that the southern Colorado miners earn more money per month and per annum than is earned in any important district elsewhere in the United States whether dominated by the United Mine Workers or not. In spite of this, however, it is probable that in the event of a strike call most of the men would respond, although we believe a great many would later return to work when they found that we were determined in our opposition to the organization and were successfully operating our mines. We are very much concerned and on the anxious seat, yet there is nothing to do but wait.

"Public sentiment and the attitude of the newspapers generally are favorable to us."

I refer to that because Mr. Welborn testified that the men would not strike and were satisfied, and they were satisfied before the strike, and they issued public statements saying that only 10 per cent belonged to the union and but 50 per cent responded, 10 per cent because of belonging to the union and 40 per cent because of intimidation. And he has told the public in publications that a small per cent—50 per cent—responded and only 10 per cent because they were members of the union. There is a great difference between men like Mr. Welborn and Rockefeller and the miners making statements to the public that are not correct. Those men are looked on by the public as the men of intelligence and men whose word should be taken as true, while, on the other hand, if it is a miner who makes these statements it has very little weight, and the deception is greater when coming from the operators than when it comes from the coal miner, and I want to call the attention of the commission to the fact that the statement that the men were satisfied is not true.

Chairman WALSH. Is that all you care to say?

Mr. DOYLE. Yes, sir; and I want to thank you for the opportunity of making this statement.

#### TESTIMONY OF SENATOR HELEN RING ROBINSON—Recalled.

Commissioner HARRIMAN. You wished to introduce some paper in evidence?

Senator ROBINSON. Yes; I desire to read into the record the roll of the enlisted men of Troop A, First Squadron Cavalry, National Guard of Colorado, that was enlisted to take the place of the militia recalled from the field. This list was sent to the senate by Gen. Chase at the request of Senator Garmon. I will read the first five names, and then put it in the record [reading]:

"Ben Tilley, private; present employment, searchlight operator, name of employer, Colorado Fuel & Iron Co.; length of residence in State, four years. Peter Coe, private; present employment, camp marshal; employer, Colorado Fuel & Iron Co.; resident in State, two and one-half years. Fred Dougherty, private; present employment, carpenter; employer, Colorado Fuel & Iron Co.; length of residence in State, nine years. George Titsworth, sr.; mine guard; Colorado Fuel & Iron Co.; lifetime residence in State. George Titsworth, jr.; mine guard; name of employer, Colorado Fuel & Iron Co.; lifetime residence in State."

Chairman WALSH. How do the rest of them run?

Senator ROBINSON. They are practically all employees of the Colorado Fuel & Iron Co.

Chairman WALSH. How many men are there in the troop.

Senator ROBINSON. Something more than 100 men.

Chairman WALSH. You may offer that in evidence.

(A document entitled "Senate Journal of the Nineteenth General Assembly of the State of Colorado, Extraordinary Session, Twelfth Day, Friday, May 15, 1914," was submitted in printed form.)

#### TESTIMONY OF MR. JAMES H. BLOOD.

Chairman WALSH. State your name, please.

Mr. BLOOD. James H. Blood.

Chairman WALSH. What is your business or profession?

Mr. BLOOD. Attorney at law.

Chairman WALSH. How long have you practiced your profession in this State?

Mr. BLOOD. Thirty-five years.

Chairman WALSH. How long have you lived in Colorado?

Mr. BLOOD. Forty-one years.

Chairman WALSH. In addition to your practice of law, have you had any experience in the operation of coal mines in this State?

Mr. BLOOD. Yes, sir.

Chairman WALSH. Please give the commission as concisely and yet as fully as possible a statement of your experience with the United Mine Workers of America, stating what agreements you have had with them, what the advantages or disadvantages were, and why you felt you were unable to continue working with them, and a brief statement in regard to the strike. I am not going to ask you any questions, that takes it all in, and you have it probably well in mind.

Mr. BLOOD. From about the year 1900 I was an officer and director of the Northern Coal & Coke Co.—that is, from the time of its organization—and as such I was interested as an operator in the operation of the properties of the Northern Coal & Coke Co. The company at that time was operating some 12 or 15 coal mines in the North and 3 or 4 in the South. Mr. Struby was president of the company, and our relations were very intimate in the management of the company. Shortly after, or about the time we became interested in the company, the labor question presented itself to us for consideration. We took up the labor proposition, and my recollection is that we were the first operators that made a definite agreement with the United Mine Workers of America. I remember that back in 1903 we held a joint conference with the representatives of the organization, and practically unionized our mines in the north. From that time on we made frequent contracts with the representatives of that organization. Their practice was to hold an annual meeting of their organization, at which they elected a scale committee. This committee undertook the subject of adjusting the wages at the different mines. After the committee had determined upon its procedure and upon its demands, then it would be submitted to us, and we would consider their propositions. Then we would hold what we termed a joint convention, under which, and as a result of which, we made a contract from time to time. During this period of time Mr. John Mitchell was the president of the organization.

We realized then that we were dealing with an irresponsible organization in that it was not an incorporated body, and there was no way of enforcing any contract which we made with them, excepting through the influence of their so-called international officers and their local officers. It frequently happened that they would violate their contract, and this necessitated our calling upon Mr. Mitchell, as the head of the organization, to see to it that their organization did live up to their contracts.

I was then, and I am now, a believer in union labor on proper lines, and in contracts made through organizations for the benefit of all of the parties.

My relation with Mr. Mitchell was exceedingly pleasant and friendly, and in many things we thought alike and talked alike. I remember as far back as 1903, I think it was, at a meeting of the National Civic Federation, I think the organization was then called—it was held in Chicago—there were a number of addresses made there. They were public addresses, at the conclusion of which those in attendance were invited to participate in the discussion of the matter, and I attended one of those organization meetings and addressed the organization with Mr. Mitchell, and I think that was when I first became acquainted with him.

As the result of the action of the local officials, or as the result of the action of agitators, our men here would go on strikes, as I said. This necessitated my taking the matter up with Mr. Mitchell, and I went to Indianapolis on I don't know how many occasions, three or four, anyway, I should say, and I took the matter up with him and I always succeeded with him in accomplishing that which I attempted, namely, to see to it that all contracts which had been made should be lived up to. They were lived up to. There were times, however—one time I remember when Mr. Mitchell had come here when our men had gone on a strike and violated their contract. Mr. Mitchell came here in person, and it was only after public meetings and considerable effort on his part that he persuaded the miners to return to work. I remember at that time he was opposed in his own organization by Mother Jones, so called, and by Mr. Haywood—at that time he was of the Western Federation of Miners, since then of the I. W. W., I believe. And there was an element that was antagonistic to Mr. Mitchell. I always found Mr. Mitchell a man who believed that all contracts made should be carried out, and he always used his good offices in that direction. After he retired from the organization that same effort was not made.

I can better illustrate that by the actual facts that occurred to us in the northern field. We in the northern field were the only unionized mines in the State, and our scale of wages was higher than any other place in the United States, as I recollect it at that time. So that you may understand the situation better, if you have not been in the northern field, I had better describe the conditions up there.

These so-called mines in the northern field are situated out on the prairies, and the mines—a number of them—are the centers of the towns in which the mines are located. To illustrate, at Lafayette the Simpson mine is a part of the town of Lafayette and located in the town. At Louisville the Hecla mine, the Rex mine, and some others were right in the town and part of the town. The town had grown up around the shaft. So over at Superior where the Industrial mine was located. During this period when we operated our properties as a union mine and under these conditions, the mines had no protection at all. There was no protection around them. The miners had made good wages, had bought their homes. We had sold their grounds, in many instances, to them, and they had their own homes in the town. The town was inhabited by the miners. They were the principal inhabitants. While it was an agricultural community around there, the larger proportion of the inhabitants were our employees. The miners, by reason of their numbers and with our consent, you might say, in that we took no part either one way or the other, elected themselves to all of the town offices, and we were willing and they were willing that these things should continue in this way. As I say, the properties were not protected, the miners were a part of us, and the towns were, you might say, typical New England towns. They were not the ordinary miners' towns. They were all good, comfortable homes. Some of the men there in the employ of our company had lived there a great many years and accumulated property, and they were all peaceful communities.

Now, this condition continued, and it was always with the understanding that when a contract terminated between us and the labor organization that contract should always continue until a new contract was made; and these meetings of their scale committee when they met—their organization met in January or February, or in the fall of the year, and they appointed their scale committee, and then their scale committee met with us, and often it would happen that our contract, which by its terms expired on March 1 of the year—that we had not made a new contract by that date, and the understanding was that the old contract should continue in effect while the negotiations were pending for a new contract. That continued always. Why, in 1908, the

contract that was made in lieu of the contract which expired on March 1, 1908, was not entered into until July 14, 1908, and because it was so late in the year, it was then we mutually agreed that the contract should expire on March 31, 1910. We had been some five or six months considering this contract, and after it was agreed upon it was published and copies given to the operators and copies given to the miners' organization.

There in that northern field we had this condition existing among others that required different considerations. To illustrate, the Simpson mine at Lafayette had a vein of 8 or 10 or 12 feet. It was a steam coal. At Louisville, a few miles away, were mines of 4 or 5 or less feet of coal. That was domestic coal. It was all lignite, but that was called a domestic coal. We also had this trouble in making these contracts, a miner working at the Simpson mine at a less wage than the miner working in the Louisville mine could earn a higher wage per day than the Louisville miner. And different mines had these different conditions which required different treatment and different wage scales at the different mines. So these contracts which we entered into provided for a specific scale for each mine. This contract was entered on July 14, 1908, and was consummated at the time when Mr. Lewis was here, the international president of the organization. He signed the contract, as well as the local officers here of the district, and it was also signed not only by our company, by Mr. Struby, its president, for the 12 mines we were operating there, but also signed by all the other operators, some 15 or 20, who had followed us in the recognition of the union and in the method of treatment. Now, this contract expired on March 31, 1910, and as I say, the understanding during all these courses of years had been that when a contract expired it should remain and continue in force while negotiations were pending for a renewal of it.

In 1910, instead of pursuing that course, the scale committee of the United Mine Workers met, and they met with us on March 3, 1910. I say, "with us"; met with the operators in the northern field on March 3. I have here a list of the members of the scale committee who were present at the meeting and also a list of the operators that were present at that meeting on March 3, 1910. There were 13 or 15 members of the scale committee representing the organization and about the same number of operators were present at this joint meeting March 3. At that time the scale committee presented to us a contract which they had prepared in their meeting and which embodied what they desired for the contract for the ensuing period in lieu of this contract that expired on March 31. At the time of presenting this contract to us on March 3 we were informed that Mr. Smith, the president of the organization here, and Mr. Lawson, a member of the national board, had been called to Indianapolis to attend a meeting of the organization there, and they wanted us to give them some answer in reference to this proposition so that they would have it when they were to leave here on the 10th of March. We gave them a written answer on March 9, pointing out why we could not make and enter into the contract which had been handed to us by them.

They stated that they would take this contract with them to their international meeting and would advise us of their conclusion, the conclusion being that we should adjourn our joint convention until they returned and notified us what they desired, when the joint meeting should resume consideration of the proposed contract for the ensuing term. We waited to hear from them, and we did not hear anything until the 1st of April, as I recollect it, or about that date, when we were notified by phone message that Mr. Frank Smith, the president of the organization, would return that evening and requested a meeting the next day, and we met the next day, as we supposed, for the purpose of renewing our negotiations and making a contract. At this meeting on the next day Mr. Smith submitted a written proposition, a written demand upon us, and this was on Friday, April 1, and this is what he submitted to us:

"Mr. Chairman and gentlemen of the committee, I believe the first matter for us to decide this morning, leading up to the negotiating of our wage contract, will be the submitting of the final demands of the national organization, which, I presume, you have seen published in the newspapers, and which are to the effect that the inside day wage scale shall be advanced 5.55 per cent on the wage contract; that the price for mining coal on the run-of-mine basis shall be an increase of 3 cents per ton on machine mining and 4 cents per ton on pick mining; that all internal differences and inner inequalities, both as to prices and conditions, shall be adjusted by the various districts before a wage contract can be signed. In order for the miners to continue work, pending negotiations and final adjustment of inner inequalities and internal differences, it will be neces-



sary for the operators to grant the increase asked for on the day wage scale and the tonnage rate; that all narrow work, dead work, room turning, and outside day labor shall be paid a proportionate advance. The internal differences and inner inequalities are those that are existing in the various mines so far as the miners are concerned. The internal differences and inner inequalities have been covered by the miners in their general agreement introduced some 30 days ago. The matter of adjusting will come up after the decision of the operators as to the day-wage increase."

In this contract they submitted to us they put Louisville, Lafayette, and all the mines on the same basis, and it was a contract that no operator could operate his mines under, under any consideration at all. He had better close down his property rather than attempt to operate it under such a proposition. This proposition which was handed to us at that meeting was that we would grant these things and do it at once, and he further stated that if we did not agree to these terms then and there he would call all of his men out on a strike. We were given no opportunity to deal with them—no opportunity to make a contract with them. So far as I know, it is the first time in the history of the United Mine Workers that they violated their own contract, to the extent of refusing to carry on negotiations while a contract already in existence was in existence between the parties, and such thing was never heard of before. Not only did he call out his own men, but, contrary to all precedent in the organization, so far as I know, he called out the engineers, the firemen, the pump men—those that were necessary to preserve the property and care for the property—not the miners producing coal, but those whose duty it was to preserve and protect the property and save it from being ruined—that he threatened to do right off—instantly. And after considerable talk on our part and the part of those conducting this negotiation—I was not present at this meeting at that time, but I heard of it and took up the matter—afterwards he did call out all the miners, but he permitted the pump men, the engineers, and the firemen to stay and protect the property until the following Monday, April 8; that is all. That was the only time he gave us to secure engineers, pump men, and firemen to preserve and protect all these properties here which were large producers of water and which were liable to be ruined in a very few days if they did not have proper care and attention.

They called this strike in this way; they called it contrary to all of their principles, to all of their agreements; and the men went out. The operators of the north were very busy people for a few days in getting engineers and pump men and firemen to operate their plant so as to preserve their property. We did succeed in the course of time in getting men to care for the property. We did not attempt to operate them. We thought—at least I thought then—that our negotiations could be resumed; that we could make some sort of arrangement with them, but it soon developed that we could not. Here were our properties out on the prairie without a fence around them—nothing—in the midst of villages where they were subject to all sorts of damage. It soon came to our attention, and threats were made to us, that if we did not grant these demands on our properties, our plants, would be destroyed, our mines would be blown up. Threats of all kinds were made against us.

Then, for the purpose of protecting our property—by this time it had got along to midsummer of 1910—we erected fences around the mines—that is, the plants. Sometimes they inclosed 40, 50, or 60 acres in the inclosure by the fence. And these fences were wire fences. That is, we placed posts in the ground and then put a wire like a chicken wire, but larger and heavier, up about 6 feet in height, and then ran an arm out on that about 3 feet with barbed wire on it, so no one could climb over and get to the properties, and so that nothing could be done to injure the properties, by reason of these threats which had come to us. After we had the properties inclosed and protected, of course we had to have somebody there to guard the property and see that nobody did get into the fence; and so we had a day watchman and a night watchman. We had always at least one day watchman and one night watchman to take care of the plant to see that nothing was done.

And when it became hopeless, when we found that we could not make any contract with this organization at all, we then built houses inside of this fence inclosure—by this time it was getting fall, and we wanted to operate our property. So we built houses inside of the inclosure, because the men could not be protected in the towns—a town owned by strikers. And in the course of time, after we had built our houses and made things convenient for our

employees, we undertook to send men up there to work. We had our offices here in this city. This was our home office.

The United Mine Workers had its office in this city; that is, the office of their State organization was here. We went to the employment agency and elsewhere to get persons to employ miners to go to work. It was only a matter of 20 miles north of here, and a trolley ran from here, and we would send a man or a couple of men or a few men from here—the employment agents would send men up there. We shortly discovered that the men we were sending—that the United Mine Workers' organization here was watching us. They were aware of the fact that we were sending men up there—sending at least two or three or four or five men at a time—somebody that wanted to work. When we would undertake to send them up, and they would get off the trolley train, they would be met by members of the organization, and they were beaten up; they were not threatened, but they were beaten, and in some instances were killed. There was no way we could get a man to the mine through the trolley, through the railroad, but what he would be assaulted by the members of this organization. Then it was that we employed a sufficient number to make a carload, and we had the car run right into our inclosure, so that the men could not be assaulted. In some instances the miners took their wives with them, in many instances their families; and the women folks would undertake to leave the inclosure to go to the post office for their mail, or to go to church, or the children would undertake to go somewhere—to school. They were all assaulted. They were called vile names. A state of insurrection existed there in that county. You could no more work the properties peaceably than—it was impossible to do it.

We went to the sheriff about it—of that county. We soon discovered the sheriff was a strike sympathizer, that every deputy that he had at these various towns were either strikers or sympathizers. We complained to the governor about it. We could not get redress anywhere. We employed a sufficient number of guards to protect us. That is all. I think at one time we had six at one mine—a day shift and a night shift, that is all—and our guards were inside of our inclosure. The school children—even when the little girls from our inclosure would go to school, the school children of the strikers would call them scabs and pound them up and drive them home. The school officials had to send up there—the superintendent of schools had to send there to stop it. Things were continuing in this condition, and absolutely a state of insurrection was maintained by this organization, an organization which had gone beyond the law and outside of the law and was above the law and knew nothing of the law and was a law unto itself. Then it was that I brought suit here in this county, in this city, I think, it was in November, 1910—November 29, as I recollect it. I brought suit, the usual suit for an injunction, naming this labor organization and all of its special organizers and all of its members, that I knew, and praying for an injunction to protect us in the operation of our property, and to protect our employees from these assaults and the brutality which they had suffered.

We had a hearing in our court on November 29, as I recall it. We had all of these members that we knew of served. I knew many of them personally. They had been there for some time, some of them for years. I had dealt with them for years. I knew them. We named them all individually, so far as we could. They were served and came into court. The court room was crowded. They came down with their attorneys, their friends, and their relatives and members of their organization until there was hardly standing room in the court room. And this trial up here was had before the court, the usual trial in such cases.

First, the attorneys for the organization interposed all of the dilatory pleas, motions, and so forth, that lawyers are familiar with, motions for change of venue, motions to strike, demurrers, and everything that you could think out that was dilatory in its character. Those things were disposed of.

The courts then entered upon the hearing of this application for an injunction. We were two days, I think, possibly three, in introducing evidence showing the condition of affairs in Boulder County, showing the violence that had been committed, the things that had been done there to our mine and to our men and women down there—they had been beaten up and assaulted.

At the conclusion of the hearing, possibly the second day or the third, it don't make any difference, I know we were days in doing it, and it was one succession of one violence after another that we had witnesses testify to. At the conclusion of the hearing, the United Mine Workers refused to put a witness on the

stand to deny any of the things our witnesses had testified to. Thereupon the court granted the injunction.

Then we caused the writ of injunction to be served upon the organization, the officers, and upon the members. And in serving the members, because there were hundreds of them by name in the suit, we had the writ printed. We sent officers up to the mines and the towns to serve them, so far as they could personally, and to mail or to post the writ of injunction on billboards and telegraph poles and telephone poles and other public places so everybody would know about it.

When the officers went there to serve the writs they were assaulted, were driven out in the town of Lafayette. The United Mine headquarters there, the building in which they had headquarters at Louisville and Lafayette, the building was an arsenal, the guns were exposed to view when the doors were open. They simply drove the officers away.

I called the court's attention to these violations of the injunction. I did it repeatedly. I would go to court, address the court when the court was in session, tell the court when I arose in my place at the bar where the lawyers are what conditions were there, and how the injunction was being violated.

The judge on numerous occasions admonished them that this writ must be obeyed; that he would not have these things continue, and that he purposed to see that the laws of this State were enforced and the writ of injunction that was issued by the court was obeyed. He said at this time that he was doing this for the purpose of educating the people up there, that some of them were foreigners and some of them did not understand our laws, and he wanted to impress upon them what a writ of injunction was. And he did it in this manner by refusing to issue warrants of contempt in a number of instances.

Finally the matter became so serious, where Mr. Cassady, who was the town marshal there, deputy sheriff, and ostensibly a peace officer, had himself committed violence in assaulting some of our employees, somebody that had gone from the inclosure to the post office or to church, or something of that kind, and where Mr. Doyle, who was an officer up there of the organization, with others, had chased two of our employees across the fields there and finally overtaken them and beaten them. The thing became so serious that on my representations to the court and application, a warrant for contempt was issued for all of these people. I think that there were 16 that were brought in at one time. Cassady was brought in at another time. Cassady was found guilty, but instead of the court punishing him, he delivered another lecture from the bench, the lectures all being published in the press. The court directed the court reporter to take down what he was saying, and see to it that it was published in the daily press, so that these people would understand what the court proposed to do in the premises. It was all done. I have the remarks of the court here in all of these instances.

And finally the 16 were brought in. The court room was again crowded. They and their sympathizers and the members of their organization and their attorneys were all there, and a good many other people were there that I knew by sight—that had been here in the days of our Leadville riots and our Cripple Creek riots—that are known as gunmen and thug men, were there in the court room for the purpose of intimidating everybody; there is no question about it.

This hearing was had before the court. Another two or three days was consumed in the hearing, and I introduced the evidence of witness after witness to show the guilt of these people, show the things that they had committed, the wrongs they had done. When I was through with my evidence they went on and introduced evidence to combat it, and most of their evidence consisted of alibis.

At the conclusion of their testimony I was so confident of the situation and the showing that they had made that I submitted the matter to the court without argument. The court found them all guilty and sentenced them to a year's confinement in the county jail for violating the injunction.

In the meantime their attorneys had gone before the supreme court sitting in this building, at the other end of it, and had made an application for a writ of prohibition to prohibit the district court here in this city from taking jurisdiction and acting in this matter. I had argued that—all of it then before Chief Justice Campbell. Judge Campbell was chief justice at that time. The writ of prohibition was denied.

After their conviction they went before the supreme court—first, they went before Judge Campbell and asked for a writ of supersedeas, superseding the judgment, so they would not be confined during the hearing. That was asked before Judge Campbell and he denied it. Then, they went before the supreme

court en banc, the entire seven judges—made representations sufficient under our practice here to get the entire bench to sit in the matter. We argued that before the supreme court all of a day. The supreme court denied their application for writ of supersedeas. After that—I am getting ahead of my story in that connection.

In the meantime our legislature had met here. This denial of the application by the supreme court I think was—I will look and give you the date in a minute [referring to papers]. It was on February 18. The supreme court denied their application. In the meantime the legislature had met here. One of their attorneys, that is, of the attorneys for his organization, a man by the name of Alexander M. Smith, caused to be introduced in the house of representatives of the State articles of impeachment against Judge Whitford for trying this case and finding these miners guilty.

In the meantime, about this time, after he had found them guilty, this organization and other labor organizations called a meeting to be held here, a public meeting, in a remonstrance to the action of Judge Whitford in finding these men guilty.

The papers said, I don't know how true it was, I did not count them, I did not see them, that there were 10,000 in the parade. That was the newspaper account. I don't suppose there were over half that number. They had a parade. They marched around this building here. It was on a day when I was arguing before the supreme court some of these matters. They held their meeting, and they passed denunciatory resolutions denouncing the judge and the supreme court of this State and demanding the release of these men who had been in prison for violating the law, and demanding the legislature to impeach Judge Whitford. All of these things were done and done in the name of organized labor—in the name of riot. I am an organized-labor man, but they did this in the prostituted name of organized labor, prostituted the name of organized labor to these things at that time.

Well, after that they went on with the impeachment proceedings against Judge Whitford here and introduced the most scandalous testimony in the world. And the legislature defeated the resolution to impeach him. That matter ended there. The resolution was never passed by the lower body, so far as that is concerned.

After the supreme court had denied their application for a supersedeas, then Judge Whitford brought all of the men before him whom he had imprisoned and delivered another lecture to them. I knew nothing about it until I was telephoned to at my office by the bailiff of the court, that Judge Whitford requested I attend court that morning. I went up.

When I arrived there, I found that all of these persons who had been convicted of these contempt proceedings were in the court. Judge Whitford informed me—I do not know but what it would be a good thing for you people that are investigating this matter, that the remarks at that time made by the court may be read with profit. I have them here as reported in the paper, and he caused them to be accurately reported and to be given to the press so that the people would understand his position.

In the meantime, threats of all kinds had been made against Judge Whitford. So-called Black-Hand letters had been sent to him, and on one occasion—this is prior to this discharge—this occurred in court on January 4. This was when Mr. Cassady, who was the town marshal there, and a deputy sheriff, as I understand it, had been found guilty of contempt of court, and the court caused him to be brought before him, and this is what the court said:

"The Court. You may step forward, Mr. Cassady. Mr. Blood, what is the condition of affairs in Lafayette in respect to the injunction of this court?

"Mr. BLOOD. Since the hearing had before your honor and the conclusion of the contempt charges on the 22d of December, last, I am advised that the conditions have been greatly improved there.

"The Court. Do you mean since the sentencing of the men to jail?

"Mr. BLOOD. Yes, sir; since then I am informed that there have been no open violations of your honor's injunction, and there seems to be a disposition on the part of the defendants there to obey the injunction; I hope that is true, especially of Lafayette; I do not know that it is true of Louisville, but at Lafayette, I believe, as far as Mr. Cassady and the other defendants are concerned, they are now obeying your honor's injunction, and all we desire to have done in the premises is to have the writs of your honor obeyed, and I

think, if there is a disposition shown to obey them, that will satisfy your honor.

"The Court. I had hoped, Mr. Cassady, not to feel it my duty to impose a severe penalty upon you; these are very grave matters. A complaint was lodged here charging a conspiracy among the striking miners, in which complaint they charged you as one, and also as being the town marshal of the town of Lafayette, and also the mayor, who is also a member of the union, and also a striker, and a majority of the city council, and the police magistrate and justice of the peace, as all being in sympathy and accord with that conspiracy to injure the plaintiff's property, and that was set down on notice. I do not remember whether you were here all the time or not during that hearing. Of course, you were a defendant named in the case and appeared by your attorneys. It was set down for hearing upon notice, and the court heard the testimony at considerable length, oral testimony, and the testimony disclosed that there had been an effort made to roll kegs of dynamite down on the property of these plaintiffs and where their men were at work. That the employees of the plaintiff company were being threatened and intimidated and assaulted, and they could not with safety to their persons go to and from their work, and that conditions of affairs had existed for so long, that the company was compelled, in the protection of its property and of its employees to build fences and stockades about its mines, and built houses inside the fences and stockades, as homes for its employees, as security against that condition of affairs; and even with people transacting business with the mines, when they went to any of these towns where their property was situated, they were surrounded with crowds of men and insults were heaped upon them, vulgar, abusive, and profane language hurled at them, and that they were intimidated.

"This testimony, although you and the other defendants were here and represented by their counsel, was not denied. Not a single witness was put upon the stand to deny it—any of this evidence; not a word of testimony in opposition was introduced; and no self-respecting court could have done otherwise than issue an injunction, protecting the plaintiffs' property and protecting American citizens in their right to go to and from their work as they pleased without molestation or interference; and the court, under that state of the pleadings, granted the injunction. Counsel representing the defendant then went to the supreme court to get a writ of prohibition against this court proceeding further with the case, upon the theory that it should have been brought in the district court of Boulder County instead of this county; that application was denied by the supreme court. While that was pending, and before its determination, counsel for the plaintiff presented to the court affidavits, and on another occasion brought in the witnesses, to detail what had occurred in Lafayette and elsewhere with respect to the court's injunction; but the court refused to grant attachments for offenders as disclosed to the court, because the matter was pending in the supreme court, and because the court thought that it might restore an orderly condition of affairs, the proper observance of the rights of property, and the rights of laborers to work when they pleased and to go to their work and from their work as they pleased without molestation.

"The court had counseled that we had better delay a little and let these miners understand what was meant by the court's orders before any citations for contempt were made, and subsequent to the court's refusal the affidavit was filed with respect to yourself. The court then issued the attachment for you, and you were brought in by Sheriff Capp. Mr. Blood then made some verbal complaint to the court about Mr. Capp, and some conversation took place between Mr. Capp and the court."

Capp was the sheriff of Boulder County. I was complaining of his attitude. The court endeavored to express itself to him as a peace officer, the attitude he ought to assume in that locality as an officer of the court, hoping that that might bring about a better condition of affairs.

"The court released you on bond, to return at a time for the hearing to take place. When that was called up in the morning the supreme court had not yet announced its decision on the application for a writ of prohibition of this court, and it went over. Your hearing came on, and the court heard the testimony with respect to that, and commented at very great length on the condition of affairs; and the court, during these proceedings, assured the parties to the suit that the writ was to be obeyed; if there was any power—sufficient power—in the

court to enforce the observance of the writ of injunction, it would be enforced. I think there ought not to be any doubt anywhere as to what the court meant by the language it used.

"Your hearing came on, and the court expressed its views very clearly and as fully as it was within its power as to your attitude over the occurrence there in the street. When you went home that evening, as I assume you did, after the court continued it from that day until to-day, without pronouncing sentence, a most inhuman and brutal assault occurred upon three unoffending laborers at the mine on their way to make a deposit at the bank on that Saturday evening."

The bank kept open on Saturday evening, and they were in the habit of depositing their wages. Three of them were beaten up, as referred to here.

"One of them was beaten into insensibility. Affidavits were filed disclosing this condition of affairs to the court, and the court issued warrants for these men.

"I had hoped, when I had continued your case from the 17th of December to the 3d of this month, and from what I then said that the defendants and others would understand what the court intended to do, with certainty, and that was to have the writ of injunction obeyed, in order that property and life and personal liberty should be secure and safe in that community.

"The court said that it had nothing to do with the merits of the strike; it could not determine that controversy if it wanted to; there is no power in the court to pass upon the merits of that; that was not before the court, and if it was, the court would be powerless to pass judgment upon it. What it was called upon to do was to protect the property of the plaintiffs, to protect them in their plain property rights and the rights of these laborers to go to their work without molestation. When these men came in under the attachment and the court heard the evidence, it felt there was nothing to do but to punish them, and to punish them in such a way as not only to correct them who had ample opportunity—all of them but three were defendants in the suit—but to be corrective with respect to others; that the court's judgment in their case would be a warning to all others up there that an infraction of the injunction of the court meant like visitation of penalty upon them; that personal rights and personal liberty as the personal rights of Americans should not be interfered with, as the evidence disclosed in this case. Beating men upon the street into insensibility and leaving them—and you, as marshal, so far as the evidence disclosed; I do not say that it is a fact—but the evidence does not disclose that you made one iota of an effort as marshal to apprehend a single offender, and yet it was in the public streets and in the early evening.

"The police magistrate, so far as the evidence disclosed, and I doubt whether you or Mr. McCune, the police magistrate, could have done anything in that community, if you wanted to, with the state of affairs up there. With that condition of affairs, the court felt that it must impose a penalty that would smart—that judgment for a violation of its injunctive order issued. What for? To protect property; to protect the liberty of American men, going to and from their work, when they pleased and where they pleased upon the public highway.

"I was pleased, Mr. Cassady, that after the hearing you went back to Lafayette and dismissed, or caused to be dismissed, the complaints against the prosecuting witnesses against you. That indicated to me a disposition to carry out what the court had suggested. I am not going to sentence you to-day. I am going to continue this case again, and if order, quiet, and peace are restored up there, the penalty I shall impose upon you will be very light, if such a thing comes about. Otherwise the court will not depart very much in the measure of its punishment from that which it has imposed heretofore, and for all like offenders. When peace and quiet are restored up there, as they will be, because violators of the injunction will be punished, these other men may be released; it is within the power of the court; but this is a Republic of law; every citizen has an equal right with every other citizen to work when he pleases and where he pleases and no man or set of men have a right to beat him up on the street or elsewhere or intimidate him or threaten him or his family, and that is the injunction of the court, and the injunction of the court is that the employees of these mines shall not be interfered with.

"I hope I may not have to sentence anybody else, but if the necessity arises there will be no departure from the course that the court has set in restoring order in that community. Threats against the court will not deter it one iota.

Threats of impeachment and threats of personal violence and threats to kidnap the court are not going to intimidate the court.

"I will read you one of a number of letters that I have received—anonymous letters. This is dated the 27th of last month: 'Greeley Whitford, you are certainly the most contemptible — that ever occupied the judicial bench of Colorado or any other State. You have imprisoned 16 miners of family, whose only fault is that they belong to a union and have asked fair pay for a fair day's work, and in your blind enmity did not hear your injunction that you had no right to issue. I have been a resident of this city for many years and have watched your career, and when you could you always decided against the poor, as you did against the little girl on Larimer Street, who was injured by the tramway; but your career will be finished some night when you least expect it. You may be met by a friend who will beat your contemptible face to a jelly, and it will not be a miner, either. You —, how would you like to be imprisoned for differing with the opinion of a — of a judge like yourself?

"Yours, very truly,

"CITIZEN."

"That is one of a good many of similar kind. The writing of that letter is a violation of law; it is a violation for the purpose of making a coward of the court. The writer wanted to make the court run away from the performance of its duty, just like some of these offenders in these mining towns sought to make the employees, from fear, run away from their duty. It is a course of intimidation. It is un-American; it is unlawful.

"I am going to continue your case, Mr. Cassidy; I am going to continue it until the 30th day of January, unless you are sooner notified to come in, and if that notice is given you it will be given you by the clerk, and you will obey it. The bond that you are now under will be continued."

Mr. BLOOD. Remarks like that were made by the court on a number of instances during all of these hearings. They had no effect; none whatever.

Finally, after these strikers who had been imprisoned had exhausted every remedy in the supreme court and the supreme court had denied their application for a supersedeas, then Judge Whitford, as I say, telephoned to me one morning—this was on February 24—and requested that I come to court. When I arrived there I found all of these persons that had been convicted there in the courtroom. And this took place; this is what the judge said at that time about these persons who were under sentence, as you will recall, for a year:

"It has been two months, gentlemen, to-day since I sentenced you to the county jail."

Chairman WALSH (interrupting). Excuse me, but is that a very long document?

Mr. BLOOD. No; it is about a newspaper column, that is all.

Chairman WALSH. I do not like—

Mr. BLOOD. I will not read it if you do not want me to.

Chairman WALSH. Just refer to it and hand it to the stenographer.

(The document submitted is as follows:)

"It has been two months, gentlemen, to-day since I sentenced you to the county jail.

"Much has occurred since that time; your attorneys thought that the court had no jurisdiction to try the case when the preliminary injunction was on before the court, and declined to put in any testimony about the condition of affairs up there; they seemed so sure that the court was without jurisdiction that they offered no evidence, and stated that they would offer none. That was carried to the supreme court on an application for a writ of prohibition; that is, a writ which goes to the jurisdiction of the court alone. On an application of that kind the inquiry is solely and alone as to the jurisdiction of the court to hear a case of that kind.

"The supreme court denied that application. Prior to that Mr. Cassidy had been brought in, but the hearing was set after that date, and subsequently to that you, gentlemen, were brought in on the charge of violating the injunction, and the question was again raised that the court had no jurisdiction in the injunction matter, therefore had no power to deal with your violation of the injunction which your attorney said the court had no right to issue. So that again, after the court had sentenced you to jail for a violation of the injunction, your attorney applied to the supreme court on a writ of error for a supersedeas because of want of jurisdiction. On that, and the other grounds that the

court had no right to hear it without a jury—that is, your contempt case—and because the court had no right to imprison you at all for a violation, but must follow the statute and impose a fine, the court assumed that the law was an unconstitutional act and therefore imposed the penalty that it did.

"There were many criticisms heaped upon the court for its action in that matter. A demonstration by 5,000 men took place in the street, who marched by the courthouse and capitol. That was shameful and un-American and should never have been tolerated in this community. It was an attempt to intimidate the court by fear from doing what it thought was right and just in this case.

"Much criticism was made prior to that time and on that occasion and since that occasion upon the judgment of the court in sentencing you gentlemen to jail for a year, or until the further order of the court.

"You gentlemen know, better than the court is informed, as to the condition of affairs in Lafayette prior to the time you were brought here. The evidence showed that the right of property of these plaintiffs in this suit was being violated; that their employees were being intimidated and assaulted and maltreated; that they had to build stockades around the mines to protect the men that were working for the company from assault. Humane officers had to attend and protect the children, under the state of public feeling in Lafayette, going to school to prevent them from being maltreated by the children who were in sympathy with your strike. Traveling salesmen were being intimidated when going in there to sell supplies to the plaintiff company; railroad men and employees hauling coal out mined by these nonunion miners were interfered with.

"The court made the order that these things should not be done; that you should not congregate upon the streets or at the depots or intimidate or molest or maltreat or threaten any of the employees of this company and thereby interfere with them in carrying on their business. That order was made, and it was made to be enforced and to be obeyed and observed; it was idle to make it if it was not to be enforced.

"The object of imposing a penalty by the court is to punish those who violate the order of the court, and to so impose the penalty that it will command respect from everyone who may through passion or otherwise seek to interfere with that order or violate the law. It is not alone imposing penalties on those who violate it, but to command respect from everybody that it is to be observed and enforced in that way; that they may know that that penalty will certainly be visited upon them if they violate the injunction orders of the court. So that the court had a twofold object in imposing a penalty, not only to punish you for violating the injunction, but to warn others in Lafayette that if they did it that was the penalty that would be imposed upon them.

"Afterwards and before you went to jail, and before the expiration of the term of court, I added onto it, so there would be no question of the court's right to do it, or until the further order of the court, with the view that, if order was restored up there, you might be sooner released. If order was not restored, I intended to impose a like penalty upon others found guilty of violating the injunction and to keep you in jail until the order expired or until order was restored. That was my plain duty. Order has been restored there. Whatever might have taken place, as I observe in the public prints, at Marshall and Louisville, certainly there has been a change at Lafayette during the last 60 days, and the court has not changed its mind. I believed then that the imposition of the penalty of one year upon you men for the violation of this injunction, as I found from the evidence you did violate it, was right. I believed then it was the right thing to do or I should not have imposed it; I still believe it was a wise thing to have done, and if the same set of facts, the same circumstances, were presented this morning, after all that has taken place, I should impose the same penalty over again.

"Fourteen of you proved by your evidence, if it was credible evidence, that you were not there on this occasion; 14 alibis were established, and it seemed to the court that some lawyer had been fixing up some evidence in this case, and I did not believe that evidence; and I did believe the evidence that you gentlemen were identified as having been there on that occasion and having participated in that affair; and I still believe you gentlemen were all there except Mr. Stubbs and Mr. Hicks, who were tried on a different set of facts.

"Now, gentlemen, I am going to discharge you this morning; I am going to let you go back; and I want you to observe and keep this injunction. I want you to say to any others who are members of your union that it is their duty to



obey this injunction of the court, and that the court has not receded one iota from the position it took two months ago on this matter. You gentlemen must understand that the Constitution and the laws and the court are supreme. Your union can not enact an order or make a rule that is higher than the court; that is higher than the law; that is higher than the Constitution. Your rules are all subordinate to judgments and decrees of the court, subordinate to the law, and subordinate to the Constitution; and whenever you or they attempt to raise your rules or by-laws of your association up above the laws and the courts and the Constitution, you will have public sentiment arrayed against you all the time, because that is revolutionary and anarchistic, and any court that has any conscience, any consideration for his oath, would do exactly as I have done in this case. The Constitution, the law, and our courts and republican institutions are higher than all the rules and orders of these associations, and they can not be set up against our American institutions. Keep within the law and the sympathy will be with you; violate the law and the sympathy generally will be against you, because it is un-American to violate the law and set yourselves up against our republican and American institutions.

"I want you and these men to understand that distinction; you must keep within the law. If this court errs in these matters, the Supreme Court can sit in review and see whether or not the court has committed an error. You are discharged.

"Mr. Blood. If your honor please, I would suggest that your honor repeat that this writ of injunction is still in full force and effect.

"The Court. I think they understand that the injunction is still in force and effect.

"Respondent HICKS. Yes, sir; we understand it."

Mr. Blood. Those remarks were made on February 23 in discharging the 16 men that he had convicted of contempt, and the reason for doing it. In substance it is that he thought he had—that the punishment had been a sufficient lesson to all others, and the injunction would in the future be observed, and he did not want to punish them unnecessarily.

After that things were fairly peaceable there for some time, a few months, until along about midsummer, as I recall it, until along about in 1911, in the summer, when assaults again commenced. Then I instituted other proceedings and another—

Chairman WALSH. One minute. Were the 16 all of the defendants that were convicted charged with contempt?

Mr. Blood. In the first instance, yes; 14 in one batch and 2 in another.

Thereafter, after he had discharged these, there were no more assaults for a few months. Then assaults commenced again. Then I instituted other proceedings. Doyle was a defendant in both proceedings. Crawford, who was the secretary of the State organization—of the district organization—was one of the defendants, and not only had the benefit of the counsel which the organization had, but he also had a brother who was an attorney who came here from Wyoming to defend him.

We had protracted hearings before the court on that occasion. The court found them guilty and sentenced them to different periods of time, or different fines. I think there were 14 in this last batch that were convicted. And thereafter application was made to Chief Justice Musser for the supersedeas for these men, and that was granted by Judge Musser, who was then the chief justice. That terminated all contempt proceedings of that kind so far as I was personally concerned. The Northern Coal & Coke Co., of which I was a director and officer, sold out our properties to another organization and ceased business on the 14th of October, 1911. And that has been—I have not been an operator since that date, for which am truly thankful.

There has never been a time during all of this time that these organizations started in in this high-handed manner that they have known any law or observed any law. They are a law unto themselves, and the laws of the State have no more influence with them than a fly. They are a lawless body, absolutely, and they have been since 1910 in all of their actions and dealings. The strike that was brought in the south was practically the outcome of this strike in the north, and was the result of it; and this strike in the north, that was started in 1910, was the forerunner of everything that has taken place since then.

Commissioner BALLARD. You spoke of 1910, during those negotiations. You used the word several times "he"—So-and-so. Whom did you mean?

Mr. Blood. I do not know. In what connection?

Commissioner BALLARD. In 1910, you will recall, some of the union men went to Indianapolis and came back and then—

Mr. BLOOD (Interrupting). Oh, Mr. Smith was the president of the local. He was the man that came to us and made this peremptory demand upon us on the 31st day of March, or telegraphed that to his organization, and the request was made of us on the 31st of March, and he then came—

Commissioner BALLARD. Mr. Smith?

Mr. BLOOD. The pronoun refers to Smith—made this demand upon us.

Commissioner BALLARD. Well, you up to 1910 then had a contract, and that contract went over to 1910?

Mr. BLOOD. We made a contract—we started negotiations in March, 1908, I think it was January, 1908, to make a new contract in place of the contract which terminated on March 31.

Commissioner BALLARD. You said on July 14.

Mr. BLOOD. And that new contract—the men remained at work during all of the time of the negotiations. We were in negotiations for five or six months, and the contract was not completed until July—

Commissioner BALLARD. Fourteenth?

Mr. BLOOD. July 14.

Commissioner BALLARD. That contract which existed all those years, to 1910, was that a similar contract to what they now present to the operators, or is it a different kind of a contract?

Mr. BLOOD. Different kind of a contract. We have changed the contract which we entered into on July—

Commissioner BALLARD. Fourteenth?

Mr. BLOOD. 1908, which, by its terms, was to expire on March 31, 1910. Here is a copy of the contract, if you desire it. It is a contract for each mine.

Commissioner BALLARD. Please offer it in evidence.

Mr. BLOOD. Yes; you can have it. It is a contract for each mine.

(The witness submitted, in printed form, a pamphlet entitled "Articles of Agreement and Scale of Wages between the Coal Operators in the Northern Colorado Fields and District No. 15, U. M. W. of A.," dated July 14, 1908; expires March 31, 1910.)

Commissioner BALLARD. Does that contract require the check-off system.

Mr. BLOOD. Yes, sir; it does. I think we had the check-off ever since 1900, the time we made our first contract.

Commissioner BALLARD. Did you object to that clause, that check-off, at the time?

Mr. BLOOD. Well, personally, I think I did. I submitted to it, submitted to it under protest. I think it is a very objectionable feature. I don't think organized labor ought to assume that attitude. It is un-American. It is unfair, and it shows a want of honesty toward their own members, to require their employees to check off from their salary the amounts that are due for initiation or fines which the organization may assess against them. I do not think it is right in principle. They insisted upon it, though, and under protest we conceded it. It is wrong, I am satisfied. I do not think organized labor in any other industry demands it in this manner.

Commissioner BALLARD. You say the employers, the operators, object to that check off, or the workmen themselves object to it?

Mr. BLOOD. A great many of them have complained of it to the leaders. The leaders were the ones that wanted it because they wanted the funds. I have a great many, had a great many, friends among the workmen, and they were all opposed to it. But they were led by their leaders, you might say, or their agitators.

Commissioner BALLARD. In this United Mine Workers' organization, as I understand it, everybody that works in and around the mine, connected with the mine, belongs to the order, even the engineers, firemen, and pumpmen?

Mr. BLOOD. They are all members, everybody but the pit boss and officers—you might say all employees. The pit boss, while an employee, was in the nature of a superintendent. That is, he had charge of working and he could not be a member.

Commissioner BALLARD. On a strike, the men almost entirely and absolutely left the mine?

Mr. BLOOD. Absolutely, excepting that in every other strike that I have ever heard of in the United Mine Workers they never called out anybody

except the miners, those that were producing the coal for the market. This is the first instance I ever heard of where they ever called out the pumpmen, firemen, and engineers.

Commissioner BALLARD. Were there very many foreigners working for your company between 1906 and 1910?

Mr. BLOOD. A very small percentage of them. Of course, in all the mines we have a coming and going traveling population. The miners are peculiar. They are a migratory set of people; they come and stay a few months and then leave—a great many do, especially the single man. We had that class that would come and stay and go. But a majority of our miners were old-timers, were Americans and Cornishmen, men of that type that had worked with us for a great many years.

Commissioner BALLARD. Well, you say the town had been built around your mine? Did you have the dollar a month for the medical attendance there?

Mr. BLOOD. No; we never had anything like that.

Commissioner BALLARD. You did not require it?

Mr. BLOOD. Never anything of that kind. If they wanted it we did whatever the men wanted. We put in the eight-hour day before the law passed. We gave our men whatever they wanted. We never had any differences with them in anything of the kind.

Commissioner BALLARD. Did you have a company store?

Mr. BLOOD. No; not in this. We had a store, but it was not owned by the company. We had a store for our own convenience. We never had scrip or anything of that kind. They could buy whatever they wanted to. They could charge their account against their wages if they desired it.

Commissioner BALLARD. Were there other stores there?

Mr. BLOOD. Plenty of other stores. We had our store more for our own convenience, for our own supplies, you might say.

Commissioner BALLARD. Did the miners in these negotiations ever bring up the question that the price in an 8-foot vein should be different than the price in a 4-foot vein? That the men could make more money, dig more coal, in the 8-foot vein than in the 4-foot vein, and therefore there should be a difference?

Mr. BLOOD. We could not do it. We tried to get them to see that, but they never would.

Commissioner BALLARD. Did the officers ever take that matter up?

Mr. BLOOD. Yes. We brought it to their attention, and I have talked to them by the hour, but they simply insisted on the flat rate. They were simply in the attitude of demanding things that were impossible to comply with. They took the position that they wanted to strike, any they did strike.

Commissioner BALLARD. That is all.

Chairman WALSH. That is all. Thank you.

Mr. Brake.

#### TESTIMONY OF MR. EDWIN V. BRAKE.

Chairman WALSH. Your name is Edwin Brake?

Mr. BRAKE. Edwin V. Brake.

Chairman WALSH. You are deputy labor commissioner of the State?

Mr. BRAKE. Yes, sir.

Chairman WALSH. How long have you held your present position?

Mr. BRAKE. I have held it since—over eight years.

Chairman WALSH. What are your duties?

Mr. BRAKE. Well, there are five separate and distinct departments in the labor bureau in this State.

Chairman WALSH. I am going to ask you to run through with this and make it as brief and concise as possible.

What are your duties?

Mr. BRAKE. My duties are: I am chief factory inspector, I am deputy labor commissioner, chief of the statistical department, at the head of the bureau of free employment, also have charge of the licensing and regulating of the private employment agencies.

Chairman WALSH. Does that include the inspection of mines?

Mr. BRAKE. No; we do not inspect mines.

Chairman WALSH. Do you have any duty with respect to enforcing the mine laws, or did you during the past years?

Mr. BRAKE. Yes. The statute in this State provides that the deputy labor commissioner shall enforce all laws for the protection of wage earners of every kind and character.

Chairman WALSH. What part did you take in drafting legislation covering conditions at mines?

Mr. BRAKE. Well, in the last 20 years I have been more or less interested in securing the passage of the eight-hour law for miners, women and children labor laws, factory-inspection laws, free-employment laws, creating free employment offices, controlling private employment agencies, and various other laws.

Chairman WALSH. Of what did your activities consist? Did you draft laws yourself or did you appear before members of the legislature, or what?

Mr. BRAKE. Well, I drafted the factory-inspection law—to go back a little further. In 1909 just previous to the meeting of the legislature, we, in conjunction with the legislative committee of the State federation of labor, met and had several sessions drafting various laws to be presented to the legislature, and I took quite an active part in the legislature, in both houses, in securing the passage of those acts.

Chairman WALSH. Briefly, what were they?

Mr. BRAKE. Well, there was a miners' eight-hour law, factory-inspection act, employers' liability act, a law controlling private employment agencies, an amendment to the old law creating the bureau of labor statistics; and we also had in there another law, or rather another bill, doing away with the old common-law defense of contributory negligence and assumption of risk. At that time there were bills introduced for an 8-hour law for women and minors, a 10-hour law for street railway men—I remember some 12 or 14 bills.

Chairman WALSH. What was the attitude of the mining companies to the passage of the 8-hour law, the semimonthly payment, the 10-hour bill, and similar measures?

Mr. BRAKE. At this time there was a law on the statute books prohibiting the payment of wages in scrip, and had been for quite a number of years. Their attitude—what we consider the men that look out particularly for the interests of the coal companies—they were opposed to the enactment of an eight-hour law for miners. We had one on the statute books that was not satisfactory, and we wanted to get one that was, and their attitude was generally antagonistic, and they were opposed of course to the abrogation of the old common-law doctrine of the assumption of risk and contributory negligence. Some of the representatives supported our factory act. That was quite sweeping, and I appeared before the judiciary committee of the senate, and explained these bills at various times, the objects and purposes of them. We used to hold extended sessions; but at the session of the seventeenth general assembly, that was the one of 1909, there was a bill introduced by Mr. Hurd, a short bill that had for its purpose the distribution and increasing of air in the mines. That bill was antagonized very strongly by the coal companies and defeated.

Chairman WALSH. Did the coal companies usually maintain what might be termed a recognized lobby at the statehouse consisting of attorneys and officers?

Mr. BRAKE. Well I don't know that they have any particular agent—they are a good deal like the rest of the people. If a bill comes up at an open session of the committee of course they have their representatives there and the other people have theirs.

Chairman WALSH. What attitude did the three large coal companies take as to obeying these laws—the mining laws?

Mr. BRAKE. Well, the eight-hour law that was passed in 1904, the result of probably 15 or 20 years' agitation, there never was any attention paid to it outside of what we called the organized camps, where they made contracts with the union.

Chairman WALSH. What attitude did the smaller companies take toward those laws?

Mr. BRAKE. Well, I think in the unorganized mines they paid no attention to it.

Chairman WALSH. And in the organized mine?

Mr. BRAKE. In the organized mines of course the miners would have that in their contract.

Chairman WALSH. What attitude did the local authorities in Las Animas and Huerfano Counties take toward the enforcement of the mining laws and safety regulations for miners.

Mr. BRAKE. Well, my experience with the local officers down there has been almost entirely through deputies, and as I have reports from the deputies as to the manner in which they enforced the laws, we never could get an absolute enforcement or partial enforcement of any of those laws.

Chairman WALSH. Did the authorities there cooperate with your department to enforce the laws?

Mr. BRAKE. No, sir.

Chairman WALSH. You say they did not do that?

Mr. BRAKE. No, sir.

Chairman WALSH. What was their attitude with reference, for instance, to checkweighmen?

Mr. BRAKE. In my recollection checkweighmen have been used on one mine, that is, the Sopris mine, and have been for a good many years.

Chairman WALSH. Do the miners ever petition you for checkweighmen?

Mr. BRAKE. On several occasions I was petitioned for checkweighmen and sent representatives down. I still remember one instance at Aguilar, and when we got down there, there was a committee appointed to act with my deputy to see the superintendent of the mine, and he discharged the committee and alleged that the reason that he did it was that they were agitators. I think that was at the Southwestern mine.

Chairman WALSH. What company was that?

Mr. BRAKE. I think at the Southwestern mine, I think what we call an independent company.

Chairman WALSH. Do you know of any other instance of that kind?

Mr. BRAKE. Well, I only hear of them. I might call your attention—however, I will be just as brief as I can, and I will show you something here—

Commissioner WALSH. Could you give us the reference? Just give us the reference to that page. It apparently is a report.

Mr. BRAKE. Yes. It embraces four pages. The substance was—the miners—I will just read from it and you will get the idea [reading]:

"Many reports were received by the department, of scales at coal-mine tips being defective, and numerous miners claimed that they were being defrauded by getting short-weighted on their coal mined. It should be understood that coal miners are paid on the tonnage basis—so much per ton of coal mined. Deputy factory inspectors were instructed to examine into these complaints when inspecting surface workings around coal mines. The department has no jurisdiction underground; that belonging properly to the duties of the mine inspectors, coal and metal. Deputy Factory Inspector Leroy Monical, who was assigned the southern field, reports as follows."

Then he gives in the report here a detail of each mine and the condition he found the scales in.

Chairman WALSH. How many did he, approximately and roughly, find to be defective?

Mr. BRAKE. Well, I could not tell. I suppose that—well, here is a—I will just read you one, and that will give you an idea.

Chairman WALSH (interrupting). First, I would like to ask—that includes the scales of what companies?

Mr. BRAKE. Well, it includes the scales of the Colorado Fuel & Iron Co., the Wooten Land & Fuel Co.—

Chairman WALSH (interrupting). Does that include the Rocky Mountain and the Victor-American?

Mr. BRAKE. Yes; the Rocky Mountain and the Victor-American.

Chairman WALSH. All right; go ahead, now. What were you going to say?

Mr. BRAKE. Now, this is an illustration of the report that he made, about four pages, so you won't want to hear all of it [reading]:

"March 21, 1912. Wooten Land & Fuel Co., two mines situated close to New Mexico line on the Santa Fe Railroad: I find the scales at the Wooten mine unbalanced, and scales at the Turner mine very unfair to the miners. They could not be balanced, and, on weighing a car of coal, the weight of three men weighing 450 pounds only increased the weight of the car 50 pounds. Scales seemed to be binding. They were inspected by the county inspector."

Chairman WALSH. What county was that?

Mr. BRAKE. Las Animas.

Chairman WALSH. How are the county inspectors of scales appointed?

Mr. BRAKE. By the county commissioners. But this is the only reference I have ever heard of in any reports by any of my deputies to an inspector at any place in the State of Colorado.

Chairman WALSH. What you know of the condition as to compelling men to trade at the company stores, and as to this scrip, if any such customs did exist?

Mr. BRAKE. Well, the custom of using scrip was very prevalent by the Colorado Fuel & Iron Co. for many, many years. As to whether they were compelled to trade at the company stores, I only know from what the men tell me themselves. They claim that they were compelled to trade there.

Chairman WALSH. What do you know as to whether or not individual miners could present grievances to these companies in which the organization did not exist—the miners' union?

Mr. BRAKE. Well, I have had the officers of the company tell me that they were always ready and willing to listen to complaints. On the contrary, I have had numerous men make complaints to me that they could not get any adjustment of any differences.

Chairman WALSH. In your opinion as an official, was there sufficient of that to cause unrest among the men?

Mr. BRAKE. Well, that might have contributed to the unrest.

Chairman WALSH. What do you know of the methods of the militia during their occupation of the strike zone?

Mr. BRAKE. Well, if you will give me a few minutes I might start in and tell you what I know about the conditions or the situation in southern Colorado; and I will talk just as fast as I can.

Chairman WALSH. Very good. We have only about 10 minutes more.

Mr. BRAKE. On the 15th day of August, 1913—

Chairman WALSH (interrupting). Were you down there?

Mr. BRAKE. Yes. Secretary Fairchild, secretary to Gov. Ammons, came to my office, and I was absent, and he left word that the governor wanted me to go to Las Animas and Huerfano Counties and make an investigation and report, as his representative, as to the conditions and the likelihood of stopping the strike. I did not want to go without seeing the governor, and I found he had gone to his ranch up in Grand County, and I called him up on the telephone at 9 o'clock at night of the 15th. I got him over the phone, and he verified the statement made by his secretary, and he said: "I want you to make a thorough investigation as to the probabilities of doing something to stop the strike." I left the next day at 12.15—that was the 16th—and I arrived in Trinidad at 7.45. That evening—well, I walked up from the depot to the Toltec Hotel and had registered, and there was a shooting started on the streets just outside of the hotel, probably within a hundred feet, where a couple of deputy sheriffs killed a miner on the streets there. It was Saturday evening. The streets were full of people, and it created quite a furor. The State federation began its session then on the Monday following. On the Sunday between this killing and the meeting of the State federation the officers of the chamber of commerce sent their secretary, Mr. Fryer, to know if I would meet them at a special meeting Sunday at 10 o'clock, and I did, and met the directors and the officers of the chamber of commerce. They then informed me of the terrible unrest that existed in the county, stating that they were very much dissatisfied themselves with the industrial condition; that they did not entirely blame the miners, but that they wanted to avoid a strike if it were possible, and urged me to use my influence with the delegates to the State federation to avoid taking any drastic action. I made quite an investigation of the conditions by talking with business men and with the miners.

There were quite a number of them in town, delegates from the different camps to the State federation, and I stayed there probably a week. I came back and reported to Gov. Ammons, and I made my report verbally in the presence of Secretary of State Pearce, who is the commissioner ex officio, and I told him that the feeling was very intense; that the town of Trinidad was filled full of armed men, guards, and detectives; that the killing of Lippiatt had created an intense feeling among the miners; and that I apprehended if something was not done and done quickly that there would be an outbreak there that would be disastrous. I recommended that he send for the sheriffs of the two counties and have them come to Denver and peremptorily demand of them that they disarm every guard, every man, woman, and child in the two counties, and if he needed any deputy sheriffs to discharge some he had and put in reputable citizens recommended by the chamber of commerce; that if they would not agree to this plan for him to remove the sheriffs and declare martial law at that time and stop the conditions from getting any worse.

Chairman WALSH. What date was that?

Mr. BRAKE. I should just this was about—let's see—this would be about the 22d or 23d of August.

Chairman WALSH. 1913?

Mr. BRAKE. 1913.

Chairman WALSH. Just a month before the strike?

Mr. BRAKE. Just a month before the strike.

There was a great many negotiations held. I addressed communications to the officers of the union and to the officers of the coal companies—especially the three large companies—offering arbitration under the statute, which both sides declined. Then on the 22d of September, the strike having been called on the 23d, I went to Trinidad, and was followed in two or three days by Mr. Pearce, and Ethelbert Stewart, who was an employee and statistician from, I think, the United States Labor Department, also accompanied Mr. Pearce. We took an automobile and made a trip to Sopris, Segundo, Primero, Ludlow—they were just establishing then the tent colony. People were just coming out of the canyons—Hastings and Delagua.

Chairman WALSH. What was this date?

Mr. BRAKE. This, I should judge, was about the 25th of September, or 26th.

Chairman WALSH. After the strike was called?

Mr. BRAKE. The strike was called on the 23d, and the feeling then was very intense. They had closed up the road into Camp Primero.

Chairman WALSH. And you say the feeling was intense. You may proceed.

Mr. BRAKE. And we had quite a difficulty getting in there. Complaints had been made that they were detaining people at Primero—would not permit them to move their baggage and household goods out of the camp. So after parleying quite a while at the gate across the road—we were held up there by a guard with a gun—but after parleying, why, he permitted us to go through, with the captain of the guard on the inside. We found that these people wanted to leave. They lived in house No. 126 at Primero; and we finally got an order from the sheriff to the superintendent of the mine permitting these people to get out. I left, and I don't know—I didn't get the order until after we got back to town. But the conditions were very intense—the feeling.

Chairman WALSH. What evidence was there that these people were being detained?

Mr. BRAKE. The superintendent of the mine told me that these people did not want to leave; but when I left the camp I found a man down at Old Segundo who lived in this house, No. 126, and he told me that he did want to leave; and that is the reason that I got the order from the sheriff. I found—the next day we took the trip up through the Ludlow colony up to Hastings and up to Delagua, and we met the superintendent of the mine there. The mine was not working at that time. There was a few men there, but Mr. Snodgrass said they were not doing anything to speak of, and we talked with him about the conditions and the likelihood of anyone leaving—he didn't think there was going to be any leave. He said he knew all the men. They were all friends of his. He had been somewhat surprised in the number that had left, and he attributed it to one shift boss that he thought would stay with the company, but he was a member of the union and took them all away.

I then came back to Denver—I went to Walsenburg also first and found practically the same conditions, and then came back to Denver—and then in January I went back again, and then the militia was in the field. There isn't any question in my mind from the information that I have and the experiences some of my deputies had that the militia felt that it was incumbent on them to break the strike. A great many complaints had been coming to the office that men were being detained in the different camps who wanted to leave; that they had been shipped in, as they claimed, under false pretenses or representations, and they wanted to get out. So I sent a couple of my deputies with an interpreter down there to make these investigations, and this is a matter that I prepared for the newspapers after they had thrown, or ordered, the deputies out of the camp—the militia had. In a report by Gen. Chase to the governor of this State on the military occupation of the coal-strike zone in Colorado there appears on page 51, under the title of "Labor commissioners," that which, in justice to this department, requires a clear statement of the facts.

These men were sent out to make an investigation as to whether anybody was being detained or peoned. Under the statutes it is made the duty of the deputy labor commissioner to cause to be enforced all the laws that have been passed for the protection of laboring people. Numerous complaints have been filed in this office that men were being held against their will in the mining camps of Delagua, Hastings, Berwind, Tabasco, Forbes, and Gray Creek. It was stated that the men had been shipped into Colorado and conditions misrepresented and that they were being held by force of arms—mine guards and State militia. I sent Mr. Gross, Mr. Howe, and Mr. Frank Mancini, all employees in the office—regular employees of this department—to make an investigation as to the truthfulness of the reports; and my instructions were that they

should assemble the men of each mine and make a statement to them to the effect that if they were satisfied with their conditions and that if no misrepresentations had been made to them, they were at perfect liberty to work; but if they wanted to leave the mining camp for reasons of the treatment they were receiving or because of conditions that were misrepresented, my orders were to take them out of the camps. Mr. Gross was placed in charge and visited Delagua, Hastings, Berwind, and Tabasco, and was denied the right or privilege of interviewing the men at all.

At Forbes, the superintendent of the mine, Mr. Nichols, granted permission to interview the men to ascertain whether or not they were being held against their will; but before Mr. Gross or Mr. Howe had opportunity to meet the men, they were arrested on the orders of Lieut. Olinger, and ordered to report at headquarters, where they were informed that they would have to leave the camp and were denied the privilege of interviewing those men as to whether they were being held against their will. Lieut. Olinger told Mr. Gross that no man could leave the Forbes camp without a military permit, and he could not get a military permit unless he had an O. K. from the superintendent of the mine; that they would not allow any man to leave the camp who was indebted to the coal company—thus simply admitting a system of peonage that we were trying to investigate, and denied that privilege by the militia of the State.

Gen. Chase, in his explanation of the reasons that all deputies of this department were not permitted to interview these men, stated that Maj. Hamrock had told him that Frank Mancini, an employee of this department, had said that his instructions were to take people out of the mines either by argument, cajolery, or intimidation; this statement of Maj. Hamrock's is absolutely false. Mancini never received any instructions from me of any nature whatsoever, neither did he tell Maj. Hamrock anything of the kind as stated above.

This department has knowledge that, in place of using the military forces of the State to protect lives and property, Chase used the troops for the purpose of breaking the strike; that he personally used his soldiers and his influence in placing strike breakers in the various mines; that promiscuous arrests of miners and incarceration in the county jails incommunicado were done for the sole purpose of intimidating the strikers. Of all the arrests that he made and all the men who were jailed, there were no reports of any gun guards or murders by imported gun fighters of the different detective agencies. His attempt at vindicating his force by going through the State making speeches at the State's expense has no precedent, and is only done for the purpose of misleading the general public as to his true actions during the period he was in the field.

My information regarding these people being held, came in the form of affidavits, so that it was my duty to make the investigations, which I had done in northern Colorado, and submit it in our report—our findings in 1909 and 1910. We found that the same conditions of holding men in these barbed-wire inclosures prevailed; and when Mr. Gross went to some of those mines he took out quite a number of men that went with him when they found they had some protection—

Chairman WALSH. About how many went out?

Mr. BRAKE. My recollection is that about 71 were taken out in northern Colorado on that trip that he made. I have his reports here—

Chairman WALSH (interrupting). Will you kindly submit them, or make such notation that we can get them into the record? Oh, is it in that book you have?

Mr. BRAKE. I have it in both books.

Chairman WALSH. Will you describe those reports, so that if we haven't them in the record already we can get them?

Mr. BRAKE. I have them all marked here, and I can describe them [reading]: "Biennial Report, Bureau of Labor Statistics, Colorado, 1909-1910."

Chairman WALSH. Can you give us those marked copies?

Mr. BRAKE. I can give you these copies I have now.

Chairman WALSH. All right, just put those in the record.

(The witness submitted, in printed form, books entitled "Twelfth Biennial Report of the Bureau of Labor Statistics of the State of Colorado, 1909-1910," and "Thirteenth Biennial Report of the Bureau of Labor Statistics of the State of Colorado, 1911-1912," both books bearing the imprint "Denver, Colorado. The Smith-Brooks Printing Co., State Printers.")

What have you personally done while occupying the position of labor commissioner to bring violations of the law to the attention of the district attorney and



to demand compliance with the law? That is, confine that, of course, to the laws affecting the mining industry alone.

Mr. BRAKE. Well, we have made a great many efforts to have people prosecuted for violations of the various laws, but with no apparent success. I sent Mr. Gross at one time down in the coal camps—I think it was in 1910—they are shown in the report there, his report of the trip, which probably would be better than what I would say.

Chairman WALSH. It is in there, is it?

Mr. BRAKE. It is in that report, and the place is marked.

(The witness referred to page 266 of the Twelfth Biennial Report, above mentioned.)

Chairman WALSH. Now, if there is any matter of significance that can not be found in that report that you would like to state now, you can do it. I know the subject is so broad, and you have such a deep knowledge of it, that you could testify here for some time.

Mr. BRAKE. Well, you know my testifying here is a good deal like putting a man up on the platform to prepare a two-hour speech and cut him off with 15 minutes. He hardly knows where to start and where to quit.

Chairman WALSH. I understand; but we are limited as to our time.

Mr. BRAKE. As I understand it, one of the purposes of this commission is to find out what are the causes of these industrial disturbances?

Chairman WALSH. Yes.

Mr. BRAKE. I want to say that, in my judgment, the primary cause in Colorado was the desire on the part of the miners to get eight hours a day, with the desire to unionize their camps; that is, both metalliferous and coal; and that for approximately 20 years the struggle had gone on for an eight-hour law, and we never succeeded in getting one until the session of the legislature—the last one—in 1913 that was of any force at all. Up to that time no attention had been paid to the law except, as I stated in the beginning, in the unionized camps.

Another thing that caused a great deal of dissatisfaction here was the fact that if a man was killed or injured in the mines, or in any of the industries of the State, it was absolutely impossible for him to get any relief, or his heirs. The old common-law doctrine of assumption of risk and contributory negligence was a barrier, under our employers' liability laws, to their getting any relief, so that the only time they could get anything would be on a compromise. In a few instances, though, after a large mine disaster, they would go and settle with the heirs; but to go into court to get any redress, it was absolutely impossible. So that for years, in place of trying to get employers' liability laws, we have been trying to get away from the old common-law practice, and we have only succeeded in abrogating the common law on assumption of risk.

A law was passed in 1913 abolishing the doctrine of assumption of risks, but through some influence, presumably these corporations, the law was referred, sufficient signatures being obtained to a petition for this purpose; but the people adopted it at the recent State election.

Another thing that has caused a good deal of dissatisfaction in the State is that the laws are not enforced. I am reminded of and will give you a citation.

In the eleventh general assembly—that was in 1897—the legislature passed what was known as the "switch-blocking act," which required the use of a V-shaped piece of wood to keep men from getting caught in the frogs. That law stated that it would be prima facie evidence on the part of the railroad company in case of a failure to properly block the switch. A boy was caught in an unblocked frog at Lawrence and lost his leg. His mother, a widow, brought suit, and it was tried in the court of Canon City, and Judge Bailey was the trial judge, and he gave instructions 8 and 9, that were in substance to the effect that if the jury found from the evidence that the switch was not blocked, then they must find for the plaintiff. Consequently a verdict was rendered against the defendant, the Denver & Rio Grande Railroad Co., and an appeal was taken to the supreme court, and Judge Goddard wrote the opinion stating that while it was true that the company had not properly blocked the switch in accordance with the statutes of 1897, yet that boy had assumed the risk.

We find continual cases of laws being declared unconstitutional, whether it be mining laws or others, or they are nullified by some act of the court. We attempted in 1893 to pass a woman's eight-hour law, and after we had it on the statute books I brought an action under that act against the Colorado Laundry Co. for working a girl more than eight hours. I went to Judge Campbell, who was then a member of the supreme court and who was a personal acquaintance

and friend of mine, and I said to him, "Judge, I want to know if this law is good before I bring an action. We have so many of these labor laws declared unconstitutional that I would like to know it before I go into the courts." He said, "I am very familiar with that statute, and any judge that would declare a law of that character, having for its object the protection of women and children, unconstitutional is not fit to sit on the supreme bench." I got a verdict in the lower court, and the laundry company appealed the case to the supreme court and Judge Campbell declared the law unconstitutional.

These things repeatedly have been going on for 20 years, until it has brought a spirit of unrest, and my remedy for these things is a strict and rigid enforcement of every law upon the statute books against all impartially. If that had been done before, we would not have had this last strike and we will not have any in the future.

I will give you another illustration. I got the past year a law controlling private employment agencies. I presume there have been more crooked men engaged in employing laboring people in the United States than any other occupation according to numbers, and we sought to control these, and we got this law passed, and it was my duty to enforce it. I found that the Colorado Fuel & Iron Co. had employed a Jap for six or seven years at Pueblo to employ Japs to work in the steel works, and then deducted \$1 from their time checks. They made biweekly settlements, paid them every two weeks, and some one told them they were being robbed; that there was \$1 being deducted once every month out of their pay, \$1 from each man, for this Jap, to pay for his job. And I brought an action and got a verdict in the lower court of Pueblo, from which an appeal was taken to the supreme court, and the verdict was reversed on the ground that the steel works at Pueblo had been exempted by the city of Pueblo from taxation and was not a part of the municipality.

So it seems that it does not make any difference how we go about these things, we can never reach the evil.

A semimonthly pay day has been adopted by a part of the firms of the State, by some of the corporations, but not all. I never was able to get a district attorney to bring any action. I have tried repeatedly to force the manufacturers and the merchants of the State to furnish the schedules so that I could prepare statistics on these various things.

We have a statute that looks very strong, but I never was able to get the district attorney to allow me to bring an action. So, when we sent out 5,000 schedules, we got back only 15 or 20 per cent, and then they were only half filled. Some people paid no attention to it at all. So, if this commission can devise some way, or make any suggestions to the United States Congress that will result in passing laws that will remedy this situation out here, it will be very satisfactory. You can take our anticorruption act. I tried to have actions brought on that. I had a call to go to Louisville, Colo.—that there were some men up there that had been shipped in from Chicago, and that they were there stranded and could not get away. This is the statement we took from the men, with their names and where they were shipped from, and the whole history of it that you may put into the record.

Chairman WALSH. Please submit it in the record.

(The statement so offered is printed among exhibits at the end of this subject as "Brake Exhibit No. 1.")

Mr. BRAKE. These men were hired by the officers of the Rock Island Railroad Co. in Chicago and they were shipped to Colorado, with two guards on the car, and when they got to Limon, the car was locked and remained locked until it was transferred at Denver to the Colorado Southern for the Monarch mine at Louisville. I tried to get an action brought against these people, and I could not do it under the statute. They said the law was not constitutional, so that these men had to go back to Chicago the best way they could.

I also have here copies of the labor laws of Colorado.

Chairman WALSH. Please submit them into the record, Mr. Brake.

(The witness submitted books entitled "The Compiled Labor Laws of the State of Colorado, Including all Enactments Relating to Labor to January 1, 1909, Axel Swanson Deputy Labor Commissioner"; "The Compiled Labor Laws of the State of Colorado, Including all Enactments Relating to Labor to May 9, 1911. Edwin V. Brake, Deputy Labor Commissioner and Chief Factory Inspector"; and "Labor Laws Enacted, 1913, State of Colorado, Offices Bureau of Labor Statistics," each of which was published by the Smith-Brooks Press, Denver.)

Mr. BRAKE. There is one thing I would like to explain with reference to this strike. I have been criticized for some figures I made regarding the earnings of miners, and I want to state that these figures are based upon reports made by the coal companies to the mine inspector monthly, as to the tonnage produced, as to the rate per ton paid the men, and as to the number of miners employed. I took the totals for the year on five mines. I picked them so I could gather the data from the three large companies and from the lignite field in the north, and I prepared this table, and I want to state that this table is absolutely correct, because any child 16 years old can take these figures and verify them. I took the total number of days worked, according to their own reports, the average number of miners employed during the year, the price paid per ton, the total tonnage produced at the mine, and all you have to do is to multiply the total tonnage by the price paid per ton, and divide by the number of men, and you get the average annual earnings.

In the Berwind mine there were 301 days, and they employed 298 miners, and paid 55 cents per ton. They produced 362,939 tons. The average gross wages per miner per year was \$689.82. The average gross wages per day was \$2.24 on a basis of 312 working days, and they worked 301. Fixed charges for powder, smithing, and hospital, \$54.50; average net wage per year, \$615.32; average net wages for a 10-hour day, \$1.97; average net wages for 8-hour day, \$1.58. The five mines producing 7 per cent of the total coal produced in the State give an average net wage for an 8-hour day of \$1.68. We produced that year about 11,000,000 tons, and this covers 839,267 tons. I gave the Berwind mine. The Maitland mine—

Chairman WALSH (interrupting). Have you the Delagua mine, Mr. Brake?

Mr. BRAKE. Berwind, Maitland, Piedmont, the Golden Ash, and the Coal Creek mine. I have not the Delagua, but it is the largest producer in the State. Baum owns the Golden Ash; the State owns the land, but he has the lease. The Coal Creek is owned by the Colorado Fuel & Iron Co.; the Piedmont is owned by the Rocky Mountain Fuel Co.; the Maitland by the Victor-American Fuel Co., and the Berwind by the Colorado Fuel & Iron Co.

Chairman WALSH. Will you submit that table, please, Mr. Brake?

Mr. BRAKE. Yes, sir.

(The table of wages so offered was in printed form.)

Chairman WALSH. Well, now, if there is anything else in the way of constructive remedy or suggestion you have in mind, I wish, please, you would give it to a member of our staff, who will be left behind and who will call upon you.

(The witness, in accordance with the above request, under date of December 30, 1914, submitted papers, which appear among the exhibits at the end of this subject as "Brake Exhibit No. 2.")

Commissioner BALLARD. You spoke about the carload of men that were shipped from Chicago. Why didn't they go to work when they got here?

Mr. BRAKE. These men were employed there. According to their own representations they were plumbers, electricians, boiler makers, street-car men, mostly mechanics and mostly young fellows from 25 to 30 years of age, and they claimed they were brought out here to work at their regular trades, and that when they got out here they were taken to the collar of the shaft and told, "Now, go down and go to work." And they refused. The names and addresses of these men are contained in that statement.

Chairman WALSH. That is all, thank you, Mr. Brake.

Mr. BRAKE. I would like to say that if you leave anyone here for any further information, I would be glad to give it to him.

Chairman WALSH. Mr. Grant will be here.

Mr. BRAKE. I have been broken up because of the short time given me.

Chairman WALSH. It has been too short. I might make the statement that a few witnesses who have been subpoenaed have not been used on account of time. The testimony expected to be adduced from some of them has been covered by other witnesses. In the cases of witnesses from whom we still desire information, members of our staff will be left to take statements from them.

All of those witnesses who have been subpoenaed, but not called upon the stand, may get their per diem and mileage by applying to Mr. Dower.

This commission will stand adjourned without day.

(And thereupon, at 6.10 p. m., Wednesday, December 16, 1914, the commission adjourned without day.)

## EXHIBITS.

### OSGOOD EXHIBIT NO. 1.

DENVER, COLO., January 2, 1907.

GRAY CREEK.

Effective January 1, 1907, the following advanced rate of wages will be paid: Digging, 50 cents for 2,000 pounds run of mine; this is an advance of over 4 cents per ton over previous price.

Wages for drivers will be 29½ cents per hour; for driver boss, 32½ cents per hour; fire boss, 32½ cents per hour; motor men, 30 cents per hour; nippers, 29½ cents per hour; trackmen, timbermen, and rockmen will receive 29½ cents per hour; trappers, 12 cents per hour; power-house engineers, \$85 per month; ash wheeler, 18½ cents per hour; stable boss, \$80 per month; stable-boss helper, \$55 per month; blacksmith, 32½ cents per hour; pit-car repairer, 29 cents per hour; electrician helper, 21½ cents per hour; laborers will be advanced from 17½ cents to 18½ cents per hour; oven drawers, from 80 cents to 85 cents per oven; and levelers from 20 cents to 22 cents per oven.

W. J. MURRAY,

*Second Vice President and General Superintendent.*

Approved.

G. W. BOWEN, *President.*

### OSGOOD EXHIBIT NO. 2.

*The Victor-American Fuel Co.—Summary of total days worked and amount earned by men employed as miners, all mines, year ending June 30, 1913.*

Mine.	Total days worked.	Total amount.	Entries and room turning.	Total earned.	Average per day.	Average days mine worked.	Average yearly wages had men worked every day mine was operated.
Gray Creek.....	22, 128	\$59, 656. 60	\$11, 938. 92	\$71, 595. 52	\$3. 23	3. 06	\$988. 38
Hastings.....	27, 635	101, 643. 74	11, 822. 62	113, 466. 36	4. 11	3. 09	1, 260. 99
Delagua.....	97, 410	352, 974. 32	36, 986. 75	389, 964. 07	4. 00	2. 94	1, 176. 00
Bowen.....	34, 011	131, 089. 08	9, 044. 23	140, 133. 31	4. 12	2. 89	1, 190. 68
Maitland.....	11, 580	40, 425. 15	11, 682. 07	52, 107. 22	4. 50	2. 52½	1, 136. 25
Ravenwood.....	24, 768	84, 926. 12	14, 143. 39	99, 069. 51	4. 00	2. 76	1, 104. 00
Chandler.....	21, 944	75, 688. 49	14, 580. 38	90, 268. 87	4. 11	2. 11½	869. 27
Radiant.....	8, 514	29, 582. 34	9, 160. 90	38, 743. 24	4. 55	2. 60	1, 183. 00
Total.....	247, 990	875, 965. 84	119, 362. 26	995, 348. 10	4. 01	2. 74½	1, 100. 75

### DALRYMPLE EXHIBIT.

OFFICE OF STATE INSPECTOR OF COAL MINES,

*Denver, Colo., December 15, 1914.*

INDUSTRIAL RELATIONS COMMISSION,

*Capitol Building, Denver.*

GENTLEMEN: Having been advised that your honorable body is anxious to complete your investigation in the State as early as possible, I desire to submit the following statement:

While I was on the stand the question was asked if I knew of any operator that advocated the passage of our present mining bill. I replied I did not. I wish to qualify this statement by saying, Not until after it was amended by the joint committee appointed by the Senate, at which time they advocated its becoming a law without change. I am informed that a witness testified before you that my office has discriminated against nonunion mines by compelling them

## 7242 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

to use permissible powder, while the union mines were allowed to use black powder. The facts are that some of the companies put their mines on permissible powder without being asked by me, while other companies, upon request from this department, experimented with permissible and complained that it had caused a great increase in the percentage of slack produced. A joint inspection was made in this district, with the result that some of the mines were allowed to continue the use of black powder, while others were compelled to use permissible, this being determined by the existing conditions.

With reference to the allegation that the deputies and myself were put into office through the influence of the U. M. of A.:

Deputy Inspector Oberding and myself were appointed after passing a rigid competitive examination before a board of examiners composed of five members, one of whom was a United Mine Worker.

Deputy Inspector Graham was supported by the organization, while it opposed Deputy Inspector King.

The deputy inspectors are appointed by the chief inspector.

The testimony given you relative to a mine 1,100 feet deep being allowed to operate, but which, had it belonged to some of the other companies, would have been closed down by this office:

The mine referred to was opened some years before the present mining law became effective, and consists of two shafts nearly a mile apart; and while this office did allow it to operate under conditions not entirely satisfactory, this was done with the sole object of connecting the two shafts above named.

When connections were made without improving the sanitary conditions the mine was closed by this department.

In conclusion I wish to say that the question of union or nonunion has never interfered with me in the performance of my duties.

Yours, respectfully,

JAMES DALRYMPLE,  
State Inspector of Coal Mines.

### Nationality and number of mine employees.

[Total number of persons employed in and around the mines, 14,308.]

Nationality.	Number.	Per cent.	Nationality.	Number.	Per cent.
English.....	4,385	30.650	Montenegrin.....	55	0.38
Italian.....	4,161	29.08	Turkish.....	7	.005
Slav.....	1,160	8.1	Swedish.....	39	.027
Mexican.....	973	6.8	Hungarian.....	122	.850
Polish.....	223	1.55	Japanese.....	230	1.600
Russian.....	59	.41	Servian.....	22	.015
Greek.....	589	4.12	Bohemian.....	25	.018
Bulgarian.....	260	1.8	Finland.....	53	.037
Norwegian.....	17	.12	Macedonian.....	20	.015
German.....	556	3.88			
French.....	210	1.5	Total.....	14,242	98.687
Austrian.....	1,106	7.73			

### Production of coal, 1911-1914.

#### HUERFANO COUNTY.

Month.	Production for—			
	1911	1912	1913	1914
January.....	191,576	211,906	216,364	127,563
February.....	78,683	127,823	166,423	102,862
March.....	94,065	168,078	106,396	110,886
April.....	137,828	142,604	133,039	93,664
May.....	146,287	137,457	162,179	110,226
June.....	101,672	105,910	130,690	129,364
July.....	112,944	126,723	147,194	137,443
August.....	178,029	153,607	179,933	159,689
September.....	146,079	155,772	132,661	169,348
October.....	156,878	166,798	74,371	184,581
November.....	192,357	190,923	90,493	.....
December.....	192,022	198,567	104,469	.....
Total.....	1,728,420	1,889,300	1,644,212	1,325,626

*Production of coal, 1911-1914—Continued.*

## LAS ANIMAS COUNTY.

Month.	Production for—			
	1911	1912	1913	1914
January.....	428, 195	474, 673	430, 891	226, 853
February.....	341, 264	418, 203	375, 604	210, 941
March.....	374, 419	452, 943	364, 421	233, 630
April.....	331, 668	406, 816	385, 360	198, 670
May.....	357, 064	356, 648	385, 742	216, 119
June.....	328, 465	316, 194	374, 058	231, 024
July.....	347, 316	354, 857	370, 733	228, 119
August.....	377, 551	389, 625	389, 180	240, 281
September.....	364, 833	368, 844	316, 065	250, 638
October.....	411, 678	416, 241	121, 465	261, 383
November.....	443, 121	420, 890	120, 834	.....
December.....	427, 090	402, 858	148, 047	.....
Total.....	4, 532, 664	4, 770, 292	3, 782, 340	2, 297, 648

## CURTIS EXHIBIT.

JANUARY 9, 1915.

Mr. W. W. CURTIS,  
President Rapson Coal Mining Co.,  
Colorado Springs, Colo.

MY DEAR SIR: In checking up the records of our Denver hearings I find that there is certain information which you promised to furnish to the commission and which has not yet been received. We are anxious to complete our records at as early a date as possible, and would be very glad to have you send this data at your earliest convenience.

The information desired is a list showing the wages paid by you before and after the strike on the same class of work; the average wage and the average selling price for 12 months before and after the strike; and a written statement regarding the average amount of coal mined per man for the last half of October, 1914. To make this last request more clear to you I am quoting from the testimony:

"Mr. CURTIS. The average amount of coal mined per man for the last half of October of this year, 45.9 tons per man. That is, as I said before, an entirely misleading fact, unless it is borne in mind first that that represents the average—not even the average—does not give the net average for all the men; and, second, that those wages are the wages corresponding to the amount of mining, which is supplemented by the average narrow work they have done.

"Chairman WALSH. Will you have that written out and handed to the clerk?

"Mr. CURTIS. I will."

Thanking you for your attention, I am,

Very truly, yours,

LOUIS K. BROWN, *Secretary.*

JANUARY 28, 1915.

Mr. W. W. CURTIS,  
President Rapson Coal Mining Co.,  
Colorado Springs, Colo.

MY DEAR SIR: I wrote you, under date of January 9, regarding certain information which was desired by the Commission on Industrial Relations to supplement your testimony given at their public hearing in Denver during December. As I have received no reply to this letter, and the commission is very anxious to complete the Denver testimony, I am taking the liberty of writing you again, and trust that it will be possible for you to furnish the data requested.

Very truly, yours,

LOUIS K. BROWN, *Secretary.*

RAPSON COAL MINING Co.,  
Colorado Springs, Colo., February 3, 1915.

Mr. LOUIS K. BROWN,  
*Secretary, Transportation Building, Chicago, Ill.*

DEAR SIR: I have your favor of the 28th ultimo, as well as your earlier letter of the 9th. I had not intentionally overlooked your earlier letter, but

when I came to prepare the figures which had been asked for I found it impossible to comply.

When I was on the witness stand I declined to give certain information asked for as to earnings, and was advised by the chairman that I was not obliged to do so unless I saw fit.

I have no objection whatever to giving the wage list before and after the strike, and attach statement thereof hereto.

I was asked to give the various wage cost and average selling price before and after the strike, but this I find to be impossible; that is, it is impossible to give any such figures which will have any value. This is due to the fact that we were working the mines under entirely different conditions. The output of our No. 1 mine, for instance, last year was over 67,000 tons, while for the preceding year it was only 28,000 tons. Then, too, last year a considerable percentage of our output was mine-run coal, while in previous years we had sold practically no mine-run coal. The labor and cost of producing mine-run coal is materially less than of domestic coal, because of the elimination of the expense of screening the coal and of loading it into box cars.

To get any tonnage which would be comparable to our 1914 tonnage we would have to go back some four or five years, when the conditions of the mine were radically different. As a consequence of this I find it impossible to prepare any comparable figures covering the average wage cost and average selling price before and after the strike.

I read into the record of my testimony certain information which I considered to be pertinent and comparable relating to conditions before and after the strike. At the request of the chairman I turned over my memorandum to the stenographer and supposed he would verify his notes of my testimony from these. To the best of my judgment and recollection the transcript of my testimony did not give this information at all, and I will consequently repeat in this the facts embodied in those statements I then made.

In December of 1910, 40 miners earned gross \$80.15 each for the month. Their net earnings, after deducting charges for rent, water, fuel, powder, and any order which may have been given them at their request on independent stores, average \$53.35. Ten of these men earned during that month an average of \$130.27. In the half of September, 1913, preceding the strike, all of the miners in our employ in the same mine averaged for the half month \$38.30. Twelve of these men averaged for the half month \$61.96.

In the last half of October, 1914, the first 50 men on the pay roll, all but 9 of whom were miners and none of whom were men on monthly salaries, earned \$50.80 gross and \$45.95 net. Fourteen miners out of these 50 earned an average of \$65.42. The pay roll for this half month amounted to \$6,361.87, while the total amount deducted for oil and powder sold the men during that time amounted to only \$136.95.

Hoping you will find this to answer your purpose, I am,

Very respectfully,

W. W. CURTIS.

*Scale of wages, Rapson No. 1 mine.*

	Prior to September, 1913.	After September, 1913.		Prior to September, 1913.	After September, 1913.
Fire boss.....	\$100.00	\$4.00	Box-car man.....	\$2.20	\$3.05
Shot firer.....	\$3.50	\$4.00	Engineer.....	\$3.50	\$112.50
Drivers.....	\$3.12	\$3.45	Firemen.....	\$2.50	\$3.15
Trackmen.....	\$3.12	\$3.45	Car dropper.....	\$2.50	\$2.80
Rope rider.....	\$3.12	\$3.45	Blacksmith.....	\$3.25	\$3.90
Tipple men.....	\$2.20	\$2.80	Boys, outside.....	\$2.05	\$1.00

<sup>1</sup> Per month.

<sup>2</sup> Per day.

<sup>3</sup> Per day of 9 hours.

<sup>4</sup> Per day of 8 hours.

## WELBORN EXHIBIT NO. 1.

[No. 1810. Case 21. State of Colorado. Lease. Expires October 1, 1917. Berwind and Tabasco mines, Las Animas County, Colo. Renewal of No. 650-M62.

## THE COLORADO FUEL &amp; IRON CO.

## COAL-LAND LEASE.

This indenture, made this 12th day of June, A. D. one thousand nine hundred and seven, by and between the State of Colorado, party of the first part, and the Colorado Fuel and Iron Company, of the city and county of Denver, in said State, party of the second part:

Witnesseth, That the said party of the first part, for and in consideration of the covenants and agreements hereinafter mentioned, to be kept and performed by the party of the second part, its successors and assigns, has demised and leased to the said party of the second part, the right and privilege of mining for and taking out coal from the lands hereinafter described, lying and being in the county of Las Animas, in said State, the same being known and described as follows, viz:

All of section thirty-six (36) in township thirty-one (31) south of range sixty-five (65) west of the sixth principal meridian, containing six hundred and forty (640) acres, more or less, according to United States survey.<sup>1</sup>

The privilege is hereby granted the Colorado Fuel and Iron Company to take coal mined on its own land adjoining this State land through the main entries on the said school section for delivery to their tipples works: *Provided, however*, That the lessee herein shall bind itself to keep all coal mined on the said school section separate from said company's coal mined on its own land until after the same has been weighed on the tipples, and due record of the same made, so that the terms of this lease may be complied with in regard to the tonnage mined, as provided in this lease.<sup>1</sup> (See board orders of June 12th, 1907, and August 22nd, 1907. Renewal of lease No. M-62.)

To have and to hold the said above-described premises, with the appurtenances, unto the said party of the second part, its successors and assigns, from the second day of October, A. D. 1907, for the full term of ten (10) years, being until the second day of October, A. D. 1917. The said party of the second part, in consideration of the leasing of said premises and privileges aforesaid, by the said party of the first part, to the said party of the second part, does covenant and agree to and with the first party as follows, viz:

First. That within sixty days from the signing of this lease, the party of the second part will commence to prospect for coal upon said premises, and will continuously pursue such prospecting until coal is found of sufficient thickness to justify mining of same, or in case workable coal is not found, work may cease if the register of the State land board is so notified in writing, and said register, at his option, may declare this lease void and ended and both parties released from all obligations thereunder. If coal of workable thickness is found, then the party of the second part shall, within six months from the date of this lease, commence to open the same by a shaft or drift of proper size and continually and with reasonable energy develop the coal in a good and workmanlike manner and take out and pay royalty on not less than five thousand (5,000) tons of coal annually, after the first year of this lease.

Second. That this lease is to be taken and considered as a coal lease only, the party of the first part expressly reserving the right to lease at any time so much of the surface of the land herein described as is not actually needed and occupied by the party of the second part for the purpose of mining for coal, as herein stated.

Third. That in the underground workings for said coal all shafts, inclines, and tunnels shall be well timbered (when good mining requires timbering) and that all parts of workings, where the coal is not exhausted and for good reasons not being worked, will be kept free from water and waste material, as in ordinary operations, and that the underground workings shall be protected against fire and floods, and the creeps and squeezes shall be guarded against, and when they do occur shall be checked in a manner in keeping with good mining. That such methods of mining shall be used as shall insure the extraction of the greatest amount of the coal vein possible.

<sup>1</sup> Modification of printed form.



Fourth. During all the proper hours and at all times during the continuance of this lease, said party of the first part by its duly authorized agent or agents, named and appointed by the State board of land commissioners, of the said first party, or by the president or register of said board, shall be, and hereby are authorized to go through any of the shafts, openings, or workings on said premises and to examine, inspect, and survey the same, and to examine and make extracts or copies of all books and weigh sheets that show in any way the coal output of said premises, and that all conveniences necessary for said inspection, survey, or examination shall be furnished said agent or agents by the party of the second part.

Fifth. That all coal mined or taken from said premises, upon being hoisted or trammed, shall be weighed, and the weight thereof shall be entered in due form in books kept for such purpose by the party of the second part, and the weight of all coal shipped by railway or otherwise shall be kept and preserved.

Sixth. That on or before the 15th day of each and every month during the term of this lease the said second party shall make a report to the register of said board of land commissioners, in which shall be entered and set down the exact amount in weight and cubic yards of all coal mined upon said premises during the preceding calendar month, and said report shall be accompanied by the weights of the railway companies over which such coal or any part thereof has been transported, and shall also show the use or disposal by said party of the second part of coal in all other ways.

Seventh. That the said party of the second part shall pay unto the said party of the first part for the right and privilege of mining coal upon said premises as herein provided a royalty of ten (10) cents per ton of coal mined and taken out of said premises, which royalty shall be due and payable on or before the 15th day of each and every month during the term of this lease for the preceding calendar month: *Provided always, however*, That the minimum amount of monthly royalty shall be one-twelfth of the yearly royalty hereinafter provided for, whether any coal is mined or not: *And provided further*, That the sum of five (5) hundred dollars paid by said party of the second part to the said party of the first part at the ensailing and delivery of these presents shall be in full for the minimum yearly royalty for the first year, but in the event the total royalty due and payable herein shall at the end of the first year of this lease be found to exceed said sum of five (5) hundred dollars, then and in that case said sum shall be applied as a credit on the amount of royalty so found to be due for said first year: *And provided further*, That the total minimum yearly royalty due from and payable by said party of the second part in each and every year during the term of this lease is hereby fixed at and shall be five (5) hundred dollars, whether any coal is mined or not.

The term "ton" as herein used means a ton of two thousand pounds of unscreened coal, unless said party of the first part, the State board of land commissioners, or its duly authorized agent or agents, elects to compute a ton of coal at twenty-seven cubic feet of coal in the solid or by the measurements of the space for which the coal is mined, deducting therefrom all space occupied by slate or other impurities, and in such case the said computation shall be final and binding upon said party of the second part.

It is expressly understood and agreed by and between the parties hereto that all mining, timbering, and work done by the party of the second part on said premises shall be at all times during the terms of this lease subject to the supervision, approval, and orders of the superintendent of the mineral department of said State board of land commissioners.

And it is expressly understood and covenanted by and between the parties aforesaid that if for any reason said party of the second part shall fail to keep each, all, and every one of the covenants by it covenanted aforesaid, then, and in that event, it shall and may be lawful for the said party of the first part to declare this indenture at an end and enter into the said premises, or any part thereof, either with or without process of law, to reenter, and the said party of the second part, or any persons occupying, in, or upon the same to expel, remove, and put out, using such force as may be necessary in so doing, and the said premises again to repossess and enjoy as in its first and former estate. And in such event, that is to say, in the event of the termination of this lease by reason of the breach or breaches of the covenants aforesaid, or at the expiration of the term aforesaid, said party of the second part hereby covenants and agrees to surrender and deliver up said above-described premises and prop-

erty, in good mining condition, peaceably to the said party of the first part, and shall forfeit to the State and make no claim for any moneys, work, improvements, or time laid out or expended in the premises. And upon the termination of this lease for any cause aforesaid, if said second party shall remain in the possession thereof, it shall be deemed guilty of an unlawful detainer of said premises, under the statutes in such case made and provided, and shall be subject to all the conditions and provisions thereof, and to eviction and removal forcibly or otherwise, with or without process of law as above stated.

It is also expressly understood and agreed that this lease shall not be assigned or the property sublet without the consent and approval of the State board of land commissioners, and that the privileges hereby granted will not be used for any other purposes than mining coal from said premises and will not be used for the mining, handling, or transportation of coal other than that mined on land under the control of the State board of land commissioners.

In witness whereof the said party of the first part hath caused these presents to be signed by the president and register of said State board of land commissioners and sealed with the official seal of said board, and the said party of the second part has hereunto set its hand and seal on this the day and year first hereinabove written.

[SEAL.] HENRY A. BUCHEL, [SEAL.]  
*President of the State Board of Land Commissioners.*  
 JOHN F. VIVIAN, [SEAL.]  
*Register of the State Board of Land Commissioners.*  
 THE COLORADO FUEL & IRON CO., [SEAL.]  
 By J. F. WELBORN, *President*

[SEAL.]  
 Attest:  
 L. E. TENNEY,  
*Assistant Secretary.*

Approved as to form: C. E. H.

#### BOND OF LESSEE.

Whereas the State Board of Land Commissioners of the State of Colorado has agreed to lease to the Colorado Fuel and Iron Company, of the city and county of Denver, State of Colorado, upon its application, the following described lands situate in Las Animas County, State of Colorado, to wit: All of section thirty-six (36) in township thirty-one (31) south, of range sixty-five (65) west, of the sixth principal meridian, for the purpose of mining for coal thereon, containing, according to United States survey, six hundred and forty (640) acres, more or less.

The privilege is hereby granted the Colorado Fuel and Iron Company to take coal mined on its own land adjoining this State land through the main entries of the said school section for delivery to their tippie works: *Provided, however,* That the lessee herein shall bind itself to keep all coal mined on the said school section separate from the said company's coal mined on its own land, until after the same has been weighed on the tippie and due record of the same made, so that the terms of this lease may be complied with in regard to the tonnage mined, as provided in this lease. (See board order of June 12th, 1907, and August 22nd, 1907. Renewal of lease M-62.)

Now, therefore, know all men by these presents: That we, the Colorado Fuel and Iron Company, as principal, and National Surety Company, of N. Y., as sureties, of the county of Denver, State of Colorado, are held and firmly bound unto the State Board of Land Commissioners of the State of Colorado, in the sum of two thousand and no/100 (\$2,000.00) dollars lawful money of the United States, to be paid unto the State Board of Land Commissioners of the State of Colorado, which payment well and truly to be made, we bind ourselves, our and each of our heirs, executors, and administrators, jointly and severally, firmly by these presents. Sealed with our seal on this the 17th day of September, one thousand nine hundred and seven.

The condition of the above obligation is such, that if the above bouden, the Colorado Fuel and Iron Company, its successors and assigns, shall in all things keep and perform the covenants, conditions, and agreements, and each and every one of them, and every part thereof, on its part to be performed, which are con-

7248 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

tained in a certain indenture of lease, bearing even date herewith, entered into between the State Board of Land Commissioners of the State of Colorado, party of the first part, and the said the Colorado Fuel and Iron Company, party of the second part, covering the above-described lands, and shall not permit any loss nor commit nor cause to be committed any waste to or upon said premises, or any part thereof; and shall pay as flat rental therefor the sum of five hundred and no/100 (\$500.00) dollars, and in addition thereto ten (10) cents per ton royalty on gross output; and shall make true report of the gross valuation of all coal mined on the above-described land, at such times as they are required so to do by the party of the first part, and well and truly make payment of all royalties as covenanted in said lease, and shall surrender said premises at the expiration of said lease, then the above obligation to be void, otherwise of full force and effect.

[SEAL.]

THE COLORADO FUEL & IRON CO.,  
By J. F. WELBOEN, *President*.

Attest:

L. E. TENNEY, *Assistant Secretary*.

Approved as to form: C. E. H.

[SEAL.]

NATIONAL SURETY COMPANY,  
By RALPH W. SMITH, *Attorney in Fact*.

Witness as to surety:

C. H. TONCRAV, *Denver*.

---

[No. 1811. Case 21. M-67. State of Colorado. Lease. Expires January 11, 1913. Rockvale, Fremont County, Colo.]

THE COLORADO FUEL & IRON CO.

NOTE.—By complying with terms of the lease we have been given verbal permission to continue same.

DENVER, November 16, 1907.

Mr. SIMON SMITH,  
*Williamsburg, Colo.*

DEAR SIR: Before the State land board would consent or entertain the proposition of the transfer of the school lease from you to us, it insisted upon our paying \$100 royalty due January 1, 1907. We paid this amount, which was owing from you, and will be pleased to have you remit the same to the company.

Yours, truly,

C. E. H.

COAL LAND LEASE.

This indenture, made this 2nd day of September, A. D. one thousand nine hundred and three (1903), by and between the State of Colorado, party of the first part, and Arthur I. Kline, of the county of Denver, in said State, party of the second part:

Witnesseth, That the said party of the first part, for and in consideration of the covenants and agreements hereinafter mentioned, to be kept and performed by the party of the second part, his heirs, executors, administrators, and assigns, has demised and leased to the said party of the second part the right and privilege of mining for and taking out coal from the lands hereinafter described, lying and being in the county of Fremont, in said State, the same being known and described as follows, viz:

Acres, 160; part of section, SW. ¼; section, 36; township, 19 S.; range, 70 W. Issued in lieu of lease M-51.

To have and to hold the said above-described premises, with the appurtenances, unto the said party of the second part, his heirs, executors, administrators, and assigns, from the 12th day of January, A. D. 1903, for the full term of ten (10) years, being until the 12th day of January, A. D. 1913. The said party of the second part, in consideration of the leasing of said premises and privileges aforesaid by the said party of the first part to the said party of the second part, does covenant and agree to and with the first party as follows, viz:

First. That within sixty days from the signing of this lease, the party of the second part will commence to prospect for coal upon said premises, and will continuously pursue such prospecting until coal is found of sufficient thickness to justify mining of same, or in case workable coal is not found, work may cease if the register of the State land board is so notified in writing, and said register, at his option, may declare this lease void and ended and both parties released from all obligations thereunder. If coal of workable thickness is found, then the party of the second part shall, within six months from the date of this lease, commence to open the same by a shaft or drift of proper size and continually and with reasonable energy develop the coal in a good and workmanlike manner and take out and pay royalty on not less than one thousand (1,000) tons of coal annually, after the first year of this lease.

Second. That this lease is to be taken and considered as a coal lease only, the party of the first part expressly reserving the right to lease at any time so much of the surface of the land herein described as is not actually needed and occupied by the party of the second part for the purpose of mining for coal, as herein stated.

Third. That in the underground workings for said coal all shafts, inclines, and tunnels shall be well timbered (when good mining requires timbering), and that all parts of workings, where the coal is not exhausted and for good reasons not being worked, will be kept free from water and waste material, as in ordinary operations, and that the underground workings shall be protected against fire and floods, and the creeps and squeezes shall be guarded against, and when they do occur shall be checked in a manner in keeping with good mining. That such methods of mining shall be used as shall insure the extraction of the greatest amount of the coal vein possible.

Fourth. During all the proper hours and at all times during the continuance of this lease, said party of the first part, by its duly authorized agent or agents, named and appointed by the State board of land commissioners, of the said first party, or by the president or register of said board, shall be, and hereby are, authorized to go through any of the shafts, openings, or workings on said premises and to examine, inspect, and survey the same, and to examine and make extracts or copies of all books and weigh sheets that show in any way the coal output of said premises, and that all conveniences necessary for said inspection, survey, or examination shall be furnished said agent or agents by the party of the second part.

Fifth. That all coal mined or taken from said premises, upon being hoisted or trammed, shall be weighed, and the weight thereof shall be entered in due form in books kept for such purpose by the party of the second part, and the weight of all coal shipped by railway or otherwise shall be kept and preserved.

Sixth. That on or before the 15th day of each and every month during the term of this lease, the said second party shall make a report to the register of said board of land commissioners in which shall be entered and set down the exact amount in weight and cubic yards of all coal mined upon said premises during the preceding calendar month, and said report shall be accompanied by the weights of the railway companies over which such coal or any part thereof has been transported, and shall also show the use or disposal by said party of the second part of coal in all other ways.

Seventh. That the said party of the second part shall pay unto the said party of the first part for the right and privilege of mining coal upon said premises as herein provided a royalty of ten (10) cents per ton of coal mined and taken out of said premises, which royalty shall be due and payable on or before the 15th day of each and every month during the term of this lease for the preceding calendar month: *Provided always, however,* That the minimum amount of monthly royalty shall be one-twelfth of the yearly royalty herein-after provided for, whether any coal is mined or not: *And provided further,* That the sum of twenty-five (\$25.00) dollars paid by said party of the second part to the said party of the first part at the ensailing and delivery of these presents shall be in full for the minimum yearly royalty for the first year, but in the event the total royalty due and payable herein shall at the end of the first year of this lease be found to exceed said sum of twenty-five (\$25.00) dollars then and in that case said sum shall be applied as a credit on the amount of royalty so found to be due for said first year: *Provided further,* That the total minimum yearly royalty due from and payable by said party of the second part in each and every year after the first year during the term

of this lease, is hereby fixed at and shall be one (1) hundred dollars, whether any coal is mined or not.

The term ton as herein used means a ton of two thousand pounds of unscreened coal unless said party of the first part, the State board of land commissioners, or its duly authorized agent or agents, elects to compute a ton of coal at twenty-seven cubic feet of coal in the solid or by the measurements of the space for which the coal is mined, deducting therefrom all space occupied by slate or other impurities, and in such case the said computation shall be final and binding upon said party of the second part.

It is expressly understood and agreed by and between the parties hereto that all mining, timbering, and work done by the party of the second part on said premises shall be at all times during the terms of this lease subject to the supervision, approval, and orders of the superintendent of the mineral department of said State board of land commissioners.

And it is expressly understood and covenanted by and between the parties aforesaid, that, if for any reason, said party of the second part shall fail to keep each, all, and every one of the covenants by him covenanted aforesaid, then, and in that event, it shall and may be lawful for the said party of the first part to declare this indenture at an end, and enter into the said premises or any part thereof, either with or without process of law, to reenter and the said party of the second part or any persons occupying in or upon the same to expel, remove, and put out, using such force as may be necessary in so doing, and the said premises again to repossess and enjoy, as in its first and former estate. And in such event, that is to say, in the event of the termination of this lease by reason of the breach of breaches of the covenants aforesaid, or at the expiration of the term aforesaid, said party of the second part hereby covenants and agrees to surrender and deliver up said above described premises and property, in good mining condition, peaceably to the said party of the first part, and shall forfeit to the State and make no claim for any moneys, work, improvements, or time laid out or expended in the premises. And upon the termination of this lease for any cause aforesaid, if said second party shall remain in the possession thereof, he shall be deemed guilty of an unlawful detainer of said premises, under the statutes in such case made and provided, and shall be subject to all the conditions and provisions thereof, and to eviction and removal forcibly or otherwise, with or without process of law as above stated.

It is also expressly understood and agreed that this lease shall not be assigned or the property sublet without the consent and approval of the State board of Land Commissioners, and that the privileges hereby granted will not be used for any other purpose than mining coal from said premises and will not be used for the mining, handling, or transportation of coal other than that mined on land under the control of the State board of land commissioners.

The witness whereof the said party of the first part hath caused these presents to be signed by the president and register of said State board of land commissioners, and sealed with the official seal of said board, and the said party of the second part has hereunto set his hand and seal on this, the day and year first hereinabove written.

[SEAL.]

JAMES H. PEABODY, [SEAL.]  
*President of the State Board of Land Commissioners.*  
 MARK G. WOODRUFF, [SEAL.]  
*Register of the State Board of Land Commissioners.*  
 ARTHUR I. KLINE. [SEAL.]

#### ASSIGNMENT.

I, Arthur I. Kline, the within named lessee, for and in consideration of the sum of one dollar and other consideration, do hereby assign, transfer, and sell all the right, title, interest, or claim in and to the following described tract or parcel of land, to wit: The 160 acres consisting of the SW.  $\frac{1}{4}$ , T. 36, 19 S., 70 W., Fremont County, Colo., unto the Purity Coal & Oil Co., of the county of Denver, State of Colorado, and to their heirs and assigns.

It is expressly understood that this assignment in no way releases the within lessee or the bondsmen from their liability to the State of Colorado, under their bond or otherwise.

Given under my hand and seal this 11th day of September, A. D. 1903.

ARTHUR I. KLINE. [SEAL.]  
THE PURITY COAL & OIL CO. [SEAL.]  
A. I. K., *Secretary*.

Assignment entered Sept. 16, 1903.

The undersigned bondsmen on lease No. — do hereby consent to and approve of the foregoing assignment.

\_\_\_\_\_. [SEAL.]  
\_\_\_\_\_. [SEAL.]

STATE OF COLORADO, *County of Denver, ss:*

Arthur I. Kline appeared before me, a notary public in and for said county and State, this 11th day of September, A. D. 1903, and acknowledged the foregoing instrument to be his free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and notarial seal this 11th day of September, A. D. 1903, My commission expires April 16, 1907.

[SEAL.]

FRANK J. EMPEROR,  
*Notary Public.*

#### ASSIGNMENT.

The Purity Coal and Oil Co., the within named lessee, for and in consideration of the sum of one dollar, does hereby assign, transfer, and sell all the right, title, interest, or claim in and to the following described tract or parcel of land, to wit: The 160 acres consisting of the SW.  $\frac{1}{4}$  of sec. 36, tp. 19 S., R. 70 W., Fremont Co., unto the Colorado Fuel and Iron Co. of the city and county of Denver, State of Colorado, and to — heirs and assigns.

It is expressly understood that this assignment in no way releases the within lessee and bondsmen from their liabilities to the State of Colorado, under its bonds, or by force of any law, to the injury of the interests of the State, and that no assignment shall be valid unless it shall have been entered upon the books of the State board of land commissioners and approved by the register of said board.

Given under our hand and seal this 27th day of July, A. D. 1907.

THE PURITY COAL & OIL CO. [SEAL.]  
SIMON P. SMITH, *President*.  
S. P. SMITH, Jr., *Secretary*.

Subscribed and sworn to before me this 27th day of July, A. D. 1907.

[SEAL.]

ROLLIN WALLINGFORD,  
*Notary Public.*

My commission expires May 8, 1911.

Assignment approved with following privilege granted and ent. 10/4/07:

In the matter of the application of the Colorado Fuel and Iron Company in regard to coal lease No. M-67, on the SW.  $\frac{1}{4}$  of sec. 36, twp. 19 south, range 70 west, in Fremont County, Colorado, it was on motion ordered that the assignment of said lease to said company be approved, and that said company be permitted to haul coal through said land from other lands belonging to it or under its control: *Provided, however,* That the Colorado Fuel and Iron Company shall bind itself to keep all coal mined on the said school section separate from the said company's coal mined on its own land until after the same has been weighed on the tippie and due record of the same made, so that the terms of the lease may be complied within regard to the tonnage mined, as provided in the lease. (Board order of Oct. 4, 1907.)

(Correspondence previous to assignment attached to original lease.)

Payments:

1/16/03. Paid in lease M-51...	\$12.50
9/11/03.....	12.50
1/16/04.....	50.00
12/31/04.....	62.50
9/28/05.....	87.50

Payments:

5/24/06. Paid in lease M-51...	\$50.00
2/11/07.....	50.00
2/11/07.....	50.00
10/11/07.....	100.00

## 7252 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

## WELBORN EXHIBIT NO. 2.

*Statement of the Colorado Fuel & Iron Co. covering settlements between Feb. 13 and Nov. 25, 1914.*

Name.	Injury.	Paid.	Remarks.
Giovanni Gambastn.	Fatal.....	\$300	No liability; settled through Italian consul.
Chas. Paolazzi.	Loss left leg; artificial leg furnished, \$100.	700	No liability.
Henry Lott.	Left foot injured.....	100	Do.
Frank Zwardowski.	Fatal.....	700	No liability; represented by attorney.
Chas. H. Werden.	do.....	700	No liability.
Frank Krasnitz.	do.....	300	No liability; settled through Austrian consul.
Mark Tesak.	Right cornea perforated.....	1,000	Liability disputed; represented by attorney for Austrian consul.
Theo. Pappas.	Fracture left leg.....	500	Suit instituted and settled.
Abel Silva.	Fatal.....	500	No liability; represented by attorney.
John DeMonti.	do.....	500	No liability; settled through Italian consul.
John Sebben.	do.....	700	No liability.
Wm. Densted.	Amputation 2 fingers left hand.....	115	Do.
Jose Lerma.	Spinal cord injured.....	900	Suit instituted and settled.
C. Romero.	Fracture left femur.....	500	Do.
Jas. R. Davis.	Fracture right tibia and fibula.....	275	No liability; represented by his attorney.
Patrick McGovern.	Right shoulder bruised.....	400	Liability disputed; represented by his attorney.
John Brice.	Fracture right femur, tibia, and fibula.	200	No liability.
I. V. Burt.	Loss right leg above knee; artificial leg furnished, \$100.	400	Do.
Juan Mora.	Fracture left femur.....	100	Do.
Antonio Pedroza.	Fracture third dorsal vertebra.....	825	Suit instituted and settled.
Donato di Cicco.	Fracture left tibia.....	400	No liability.
Bazzoni Bartolomeo.	Fracture left femur; artificial leg furnished, \$100.	600	Do.
P. L. Woody.	Loss left hand.....	500	Do.
Henry Miller.	Dislocation right hip.....	700	Liability disputed; represented by attorney.
Diego Godines.	Fatal.....	250	No liability; widow represented by attorney.

## WEITZEL EXHIBIT NO. 1.

*Number of days mines worked during the years ending Dec. 31, 1910, 1911, 1912, and 1913, Colorado Fuel & Iron Co.*

Name of mine.	1910	1911	1912	1913	Name of mine.	1910	1911	1912	1913
Morley.....	297.6	206.0	252.2	288.4	Walsen.....	249.0	124.7	51.2	222.4
Starkville.....	320.0	198.0	245.5	200.6	Robinson.....	259.0	191.4	275.7	216.1
Engle.....	241.0	25.7			McNally.....				112.0
Sopris.....	301.0	276.0	298.1	304.6	Pictou.....	310.0	242.0	244.7	189.2
Tercio.....	224.0	274.0	283.0	288.9	Coal Creek.....	251.0	212.0	221.7	158.3
Primero.....	289.0	213.0	260.9	299.8	Freemont.....	270.0	164.0	155.5	122.5
Frederick.....	280.0	250.5	256.2	306.4	Rockvale.....	239.0	188.0	200.8	157.3
Berwind.....	268.0	271.0	302.6	303.7	Brookside.....	115.0			
Tabasco.....	303.0	271.0	294.5	290.7	Nonac.....				19.0
Rouse.....	270.0	264.0	214.7	266.0	Gulch.....	272.0	190.6	177.5	239.9
Herron.....	247.5	211.0			Marion.....	170.0			
Lester.....		169.0	127.6	268.3	Crested Butte.....	247.0	235.0	177.8	203.1
Ideal.....	160.0	164.0	223.5	235.1	Floresta.....	175.0	169.0	164.2	171.7
Cameron.....	288.0	218.5	260.2	272.8					

<sup>1</sup> Delays account explosions: Primero, 4 days; Starkville, 19 days.

## WEITZEL EXHIBIT NO. 2.

*Wages paid at coal mines, Walsen district, Colorado Fuel & Iron Co.*

Occupation.	Oct. 15, 1902, to Dec. 31, 1908.	Jan. 1, 1907, to Mar. 31, 1912.	Apr. 1, 1912, to date.	Occupation.	Oct. 15, 1902, to Dec. 31, 1908.	Jan. 1, 1907, to Mar. 31, 1912.	Apr. 1, 1912, to date.
Blacksmith.....	\$3.60	\$3.25	\$3.50	Oiler.....	\$1.00	\$1.50	\$2.00
Blacksmith helper.....	2.00	2.25	2.75	Pump man.....	2.25	2.95	3.15
Carpenter.....	3.00	3.25	3.50	Rope rider.....	2.80	2.95	3.10
Driver boss.....	3.00	3.25	3.35	Rock man.....	2.80	2.95	3.10
Driver.....	2.80	2.95	3.10	Shot firer.....	3.00	3.25	3.60
Engineer.....	2.50	2.65	3.30	Trapper.....	1.10	1.20	1.20
Fireman.....	2.50	2.65	3.00	Timberman.....	2.80	2.95	3.10
Dumper.....	1.85	2.00	2.25	Track layer.....	2.85	2.95	3.15
Machinist helper.....	2.25	2.50	2.75	Teamster.....	1.85	2.10	2.25
Nipper.....	1.50	2.25	2.50				

**Mining rates:**

Prior to Oct. 15, 1902, 50 cents per 2,400 pounds run of mine—41½ cents per 2,000 pounds.

Oct. 15, 1902, to Dec. 31, 1908, 50 cents per 2,000 pounds run of mine.

Jan. 1, 1907, to Mar. 31, 1912, 55 and 60 cents per 2,000 pounds run of mine.

Apr. 1, 1912, to date, 60 cents per 2,000 pounds run of mine.

## WEITZEL EXHIBIT NO. 3.

*Summary of mine operations for years 1911-1913.*

	Production.	Number of fatal accidents.	Number of in- juries.	Fatal ac- cidents per 1,000 em- ployed.	Tons mined per fatal ac- cidents.	Tons mined per injury.
<b>Year 1911:</b>						
The C. F. & I. Co.....	3,285,431	19	46	3.51	172,917	71,422
Balance of State.....	6,912,164	72	310	3.09	90,002	22,297
United States.....				3.73		
<b>Year 1912:</b>						
The C. F. & I. Co.....	3,516,103	17	64	3.4	206,830	54,630
Balance of State.....	7,606,845	81	262	9.05	92,604	28,620
United States.....				3.15		
<b>Year 1913:</b>						
The C. F. & I. Co.....	3,017,288	18	86	3.73	167,602	34,880
Balance of State.....	6,251,651	90	268	11.19	60,462	23,227

<sup>1</sup> Summary: 14 falls, 2 mine cars, 1 mule kick, 1 fan shaft. Fatal accidents, 11 months this year. 77; fatal accidents, 1914, 108.

## WEITZEL EXHIBIT NO. 4.

ADDRESS OF MOTHER JONES AT STARKVILLE, COLO., SEPTEMBER 24, 1913.

Fellow workers, I want to say—I won't say ladies and gentlemen, for ladies and gentlemen are thieves, robbers, and highwaymen. Ten years have passed into history since I was with you before; I think we closed the meeting at 11 o'clock at night. I was out all that day in other parts of the coal fields, and when I came in at 7 o'clock there were parties waiting and they asked me to come out here and speak to them. The hour was late, and I told them I would come to-morrow, but the committee said, "Come, Mother, and talk to us," and I went out. Wherever the workers want me, in the day or night, no matter where it is, I will be there, and so we came out here. When I was coming down along the side of the hill the thought struck me that I would not go back the way we came, but so many of them urged me to go back the way we came as it was a mile or two shorter, and even my comrade with me said, "Mother Jones, you have been out all day and you are tired and we could



save time by going back the same way we came." I said, "What difference does an hour or two longer make? It should not make any difference; let us go back the other way." That very night I heard that the coal companies had their bloodhounds lying out there to murder me if I had gone back the way I came, So you see, my friends, in this great struggle of ours the master operators stop at nothing.

Away back in the ages of time, the Romans went back to Carthage, and whenever they captured anyone they made slaves out of them. They either brought them into Rome or held them in slavery. Among those captured was a painter, and when he stood up before them for trial he said they said to him, "Who are you and what are you charged with?" and he said, "I am a workingman; I am a man of the working class; and," he said, "being a man of that class I am interested in everything which affects my class. I am interested in their struggles, in their uplifting, and in the higher civilization." I wish to God we could permeate every man here with that same spirit that permeated that pagan slave 1,800 years ago. I wish we could have that same spirit still throughout the States, and if we could we would abolish all of this brutality, evil, and wrong that exists to-day. If the minds of men became permeated with that sense of justice and honor there would be no use of these strikes. When the day of judgment came and they appeared before God Almighty at heaven's door for admittance, they are then questioned and say, "I starved their children and I thrust their wives into untimely graves," what do you suppose God Almighty would tell them? He would say to them, "Hell is for you." Where does all of this wealth come from; do they produce it? No; they work you. They do not produce any of this wealth, do they? No; you produce the wealth; so if you produce the wealth, why don't you own it. I will tell you why we don't own it; it is because we are a bunch of cowards. You come home to Mary and say, "Well, God Almighty, I am tired." "How much coal did you dig to-day, Jack?" "Well, I dug and I dug and I dug and I dug all day and I sent out car after car, and I then went to the boss and asked him how much coal I dug; I thought I had another car of coal due me, and I looked up to see what was figured up out there, and the boss said, "No; you didn't have another car; no; you didn't," and I said, "Yes; I did," and the boss said, "Oh, you get the hell out of here, and if you don't I will make you." Is this not correct? Is this not true? Do I exaggerate it? Not at all; I don't have to. I have seen and know these poor Polish and Italian wretches at work and I know what I am talking about; and I have had different bosses tell me how they were forced to do it in order to hold their jobs, and they would say to me, "If I did not do it, I would lose my job." He did not have to care for you or your family—you are the one that has to care for Mary, and if you are such a coward that you would not protect her and the family even if you had to lick hell out of some fellow, you ought to suffer the consequences. I would like to see a fellow take any coal out of my car. I have gone into the mines and loaded coal with the miners, but I always made the tippie boss tell me how much we loaded, and it was registered there, every pound of it.

Now, the strike which is on to-day is a strike for a nobler and grander humanity for the Nation and for the honor of the State. All of you know that I have been in these strikes and struggles for years and years, and I have known jailers, I have known the bull pen and I have had to steal my way in the dead of night from the bloodhounds—that is the Baldwin guards—and I have seen some awful pictures in this fair land.

I have never witnessed in any State of this great Union the brutal and horrible pictures as I saw yesterday as I went to Ludlow. Here was a lot of poor wretches on that wagon; their life earnings were piled on that wagon. There was a mother with a babe in her arms; it was cold, and the sheet was coming down; and as I looked at that picture I fairly trembled for the future of the world. I could not help but think how horrible it was that the government of the State would stand for that. You men have stood for it; you men have permitted these conditions to go on and become more brutal day by day and year by year. What did you want to wait for Mr. Hayes to come here for before you struck. The workers of the world have struck always when such conditions have arisen, and we are going to strike, strike, strike, until the last man falls and the banner of freedom floats over this State. I do not promise you great things; I would not do it. The fight is yours. If I had to pay a fellow to make the fight, I would not want that fellow. We want men who are willing to make a sacrifice for human freedom and liberty. The

man who is not willing to make that sacrifice is not fit to stand upon the soil of this great Union.

Don't you see that you have not recognized the fact that you are a man? When you realize that you are a man, you will stand upon both feet and fear no man. This earth was made for you, was it not; and it was here a long time before the C. F. & I. came upon it. When the C. F. & I. came upon this earth, they did not get a mortgage on it, did they? No, they did not. The earth was here long before they came, and it will be here when their rotten carcasses burn up in hell.

I looked at those children on that wagon, a child of about 10 years old, and the mother—she had a babe in her arms—and they did not have clothing enough to shelter them from the cold; they had been thrown out like dogs. They had a comfortable home from which they were ejected by the C. F. & I. When the C. F. & I. Co.'s wives go to the seashore they engage a room for their dog, and they have it fed out of a silver plate, while you get up old, broken-up dishes; that is what you eat out of.

There came a year in the history of this Nation when West Virginia said, "We are standing among the great States of the Nation, not as a State with slaves working in the mines, and we will rise to a nobler statehood men and women who stand among the foremost and advanced people of the Nation," and these miners struck. They plead with the governor and with the State officials, in fact, with everyone, and no attention was paid to them; but they attended to it themselves, and they told their operators that they may go out, and then you will concede to us. They made the United States Senate move, and they called the attention of the whole world to their action. These men and women—these women with babes in their arms—took an oath to the eternal God that there would be no more coal dug until there was a better condition prevailing for their children. The operators said, "We will never recognize the union," but "never" is a long time; but they did come to time, and the C. F. & I. will come to time. [Applause.] I will tell you why: The day of muscle and training is over; the day of brutalizing the working class is over; and the day of harmonizing and uplifting the working class is here, and we claim that right; we claim the right for that child to have a good education; we claim the right for that child to have a good home; and we want comfort for its mother; we want its father to know what rest is. That is what we are fighting for, and I want to ask you, Is there anything wrong about that?

I am not worrying about getting a bed in heaven—I am not working for that—it is a bed here that I am working for. You see the chambermaids may be on a strike when I die, and I might not get a bed then.

Did you ever go into the operators' clubs? I have been in them; and, don't you know, they looked more like hogs to me than human beings. They were plotting, devising, and scheming how they could rob their neighbors.

One time, in the city of Chicago, I was doing some work for one of the great families in Chicago, and he was one of the great lawyers of the State of Illinois at that time, and he was employed by a corporation. He was an able lawyer, but he knew nothing of the industrial struggle. I used to stay up at nights and sit at his window and would watch the corporation leaders. I would get on to how they would scheme to catch the workers and entrap them, how they would use the newspapers to influence the public opinion, and it gave me an insight in the scheming of the ruling class. They used to have their distinguished bishop sit with them, too. They said "Gentlemen"—gentlemen are always thieves—"it would be better to do thus and so; the workers were easy."

The workers had no time to spend in studying this great question, for they worked, worked, worked all the time, and when they did get through their work they were too tired for study, and so it is to-day—and we have been trying to make our workday so that you will be able to take some time to study these great questions. How much wealth would there be in this great country if it was not for the workers? How much land would be cultivated if it were not for the workers? Who went into the mine first? The workingman. Who pushed the props out? The workingman, when they could get them, and yet the workingman does not realize his worth in this great cause of industry.

Boys, your wives are going to suffer the penalty. How many of your wives go to the seashore? Did any of you women ever go to the seashore? All those of you women who ever went to the seashore please put up your hands. You bet your life, if I was in an audience of C. F. & I. women and asked them if they ever went to the seashore, every one of them would signify that they had gone

to the seashore. You do the work that enable the wives of the operators to pay \$1,000 for dresses for them to put on their rotten carcasses. You let them work you; you dress the mine owner's wife and you put your wife in rags. You are the men that ought to let the world know how great you are.

We are not a charity organization; we are against charity; I am greatly opposed to charity. A Federal Judge said to me once, "Why don't you go into charity work?" And I said to him, "No, sir; I do not believe in it." We don't need charity; we need what belongs to us, and we are going to get what belongs to us. [Applause.] We are going to have what belongs to us, because the dawn of that nobler day is here. We create wealth, and we have produced the wealth of this great Nation; and if we have done that, why should we have that hungry child, and why should any public official stand for such a condition? Why should any public official stand for the horrible conditions as I have seen here in these fields? Men, buckle on your armor, stand out for the law; stand out for the enforcement of the laws like men; stand out for the honor of the State; stand out for that which is yours and get it, and never dig a pound of coal till you do, and don't let any other fellow do it. We stand for better childhood; we are going to stand for better literature to come into our homes; we are going to stand for better education for our children. We don't want that that tells us what we are going to get when we are dead; we want that which tells us what we will get while we are living.

We had an old fellow in West Virginia, and he used to run the miners, and he went down to the Kentucky foreign mission and would tell them that they could send this over to China—but take Jesus out of the way. Those gods of women would say, "Oh, how charming you are; you are so charming"; and he was the biggest thief that God ever put on the earth. Then he was so charming, you know. These kids, they have never developed yet. They did not know what civilization means. It is the workers of the world that is civilizing the world; it was never the other class; they have disharmonized and demoralized the human race in all history. It is the men and women who struck; it was the men and women who took their lives in their hands; it was the men and women of 40 years ago, that you knew and I knew, that started out with this great movement that has now 450,000 men within its ranks. They would not even be allowed inside of the door—they died by the wayside—but they are the ones that planted the seed that we are reaping to-day, my friends. It was those men and women that I knew in Pennsylvania that started this work. I have traveled myself for 50 miles—we had no money to pay railroad fare. The men were begging to come there, and neither of us had money with which to pay railroad fare. We bought 15-cent sandwiches to eat on the road while we traveled. It rained, and we got wet; but that made no difference; we were warm with the love of humanity's better day. At night we went into the woods and organized those slaves of the mines. We never thought of our stomachs; we thought of our children and all their children's children in those days. You have got to make sacrifices; no battle is ever won without making sacrifices; these women have been making sacrifices all along. If the mine owners want a 10-year strike, we can give it to them. Do you know that? [Applause.] If the C. F. & I. wants a 10-year strike, we can give them a 10-year strike, and we are ready for 10 years more when we get through. [Applause.]

Mark down what I tell you—mark down what I tell you men from this platform. The Government of this Nation, inside of the next 10 years, will take over the mines of this Nation and will run them for the benefit of these people and not for the corporation. I am not mistaken in this.

As the sun rises for you, inside of the next 10 years three-fourths of the mines of this country will be in the hands of the Government. You will work six hours a day. In North Dakota the men work eight hours; the mines are owned by the Government; therefore you buy what you get at cost, for the Government can do that. And if the mines in North Dakota can be run by the Government, why can not it be done with the mines here in Colorado? These thieves have taken up the mineral lands; they have hired Jack, Mike, and Jim to take up these tracts of land for them. Don't you think Uncle Sam can come in and clean hell out of all of them and take the whole tract away from them? Who would have thought that five years ago, four years ago? Who would have thought that even three years ago the United States Senate would get up to where it is to-day and tell the mine owners of West Virginia what they are telling them now. You are getting a new type of men in the United States Senate, men who are beginning to realize what this great industrial question is. I was telling one of the United States Senators in Washington about an incident

where one of the boys was thrown out. This little boy threw his hands up over my head, and he said, "They have hurt my mamma, and they kicked her, and when I get to be a man I am going to kill 20 of them." I said, "This is how we make criminals," but thank God that we are giving birth to children that would not stand for such treatment.

This is a fight to the finish. This is not a Sunday school, and I hope every man will stand solid and stand together. They can not dig coal without you, and they can't run railroads without coal. Those fellows at Pueblo, at the smelters, say, "Why are we closing down our mills?" What do we care about their mills? "We don't care about your mills; we have been keeping them open, and you have not paid us for it." And they say, "Why, we want to make money." "Well, we want to make money, too; you have been making it, and now it is our turn. We will open your mills when you get off of your perch." They say, "We will give you a checkweighman." "Why, they would not be any good to us if we did not have a union." And then they say, "We are going to recognize the union because when we do that we will get everything else we want." Do you know that. We said, "You will have to come into the union, and the war won't stop until you come into the union." That is what Washington said. King George said, "Get out, we will rule the land ourselves." Washington said the people who live in this country will rule the country, and they are going to own it. The whole State and Nation was founded on the union. Doctors unionize; medical professions have their unions; the merchants are organized; and if the union is good for all of them it ought to be good for us. We came in because we know we have better conditions when we have a united force. They know when we are united they can't conquer us. Stand up and tell them we are in the union and there to stay. [Applause.]

If you want 500,000 miners brought into the State of Colorado we will bring them in, and we will lick hell out of the operators. [Applause.] We are not going to take any guns; we are going to take picks along, and we will take the mines and own them.

Did Jack ever tell you, "Say, Mary, you go down and scrub the floor for the superintendent's wife, or the boss's wife, and then I will get a good room." [Applause.] I have known women to do that; poor fools. I have known them to go down and scrub floors like a dog, while their own floors were dirty. Jack was such a damn fool that he was not able to get a good room without having his wife scrub the floors for those men. We don't belong to that army; we are here for industrial freedom that was born on the bosom of fair Columbia. Our sons and daughters will be free; the men and women beneath the Stars and Stripes shall rise into glorious manhood and fairer womanhood, and in the days to come there will be no cringing slave, no tyrant master. You will be free; poverty and misery will be unknown; we will turn the jails into playgrounds for the children; we will build homes, and not log kennels and shacks as you have them now; there will be no civilization as long as such conditions as that abound, and now you men and women will have to stand the fight.

#### WEITZEL EXHIBIT NO. 5.

[The Colorado Fuel & Iron Co. Fuel department. Circular letter.]

PUEBLO, COLO., March 31, 1913.

#### *All superintendents:*

The new mining law just passed by the legislature provides that all mine foremen, assistant mine foremen, and fire bosses shall have certificates issued by an examining board provided for in the law.

These certificates are to be issued:

First, to persons who shall satisfactorily pass an examination, written or oral, as may be prescribed by the board of examiners, and shall satisfy the board that they have been employed in underground positions in the mines of Colorado for two years prior to such examination.

Second, to any person who shall produce satisfactory evidence that they have for a period of one year immediately preceding April 1, 1913, continuously and capably performed the duties of mine foreman, assistant mine foreman, or fire boss in this State.

It is probable that the examining board will begin to sit about the middle of May, and will hold examinations in different parts of the State, and it is

## 7258 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

highly important that prospective candidates should begin to prepare themselves at once.

Men who have been in the positions of mine foreman, assistant mine foreman, or fire boss for one year continuously prior to April 1 will have to appear before the board with letters to show that they have been in these positions the required length of time, and all other candidates should begin to prepare themselves to stand the examination. Any person who has been in underground service for a period of two years in the State of Colorado is eligible to take the examination.

It is our purpose to send out a list of examination questions to be answered in writing, and we ask that you furnish us immediately with names of those wishing to take the preparatory course. A sufficient number of the lists of questions will be furnished each superintendent so that each applicant may have a list, and directions for mailing the answers will be given when the questions are sent out.

Please forward the list of names of men at your mine at your earliest convenience.

E. H. WEITZEL, *Manager.*

---

[The Colorado Fuel & Iron Co. Fuel department. Circular letter.]

PUEBLO, COLO., April 7, 1913.

### *All superintendents:*

In pursuance of circular letter of March 31, I am inclosing herewith the first list of questions.

It is suggested that a class be formed at each mine and that candidates work together. If any assistance is needed, it will be furnished by your local division engineer's office or the teachers in camp schools.

All superintendents are requested to join the classes and send in answers to questions.

E. H. WEITZEL, *Manager.*

---

[The Colorado Fuel & Iron Co. Fuel department. Circular letter.]

PUEBLO, COLO., March 7, 1913.

### *To candidates:*

It is the intent and purpose of the management by sending out these preliminary examination papers to give prospective candidates who wish to take the examination for the positions of mine foreman, assistant mine foreman, and fire boss, as prescribed by the new mining law, a general idea of questions that are usually asked by boards of examiners, and, further, to encourage ambitious men to gain the required information to qualify for said positions in the future.

If our men will respond and show a desire for improving their condition and efficiency, it is our intention to give other inducements, which will be made known later.

It should be distinctly understood that these questions will not be the questions asked by the board of examiners, but questions of a similar nature are likely to be asked. If candidates are able to answer these questions by the aid and use of textbooks, they should be able to qualify before a board of examiners.

Candidates will please comply with the following rules:

First. Use light foolscap paper.

Second. Write only on one side of paper.

Third. Leave a space of 1 inch on right-hand side of paper.

Question papers with answers thereto will be collected by the superintendents and mailed to Mr. David Griffiths, Canon City, Colo. Mr. Griffiths will advise each superintendent as to percentage made by each candidate at his plant.

E. H. WEITZEL, *Manager.*

### REFERENCE.

1. What is the name of the mine at which you are employed?
2. Give name and address of the superintendent.
3. What is your name and post-office address?

4. What is your age?
5. What is your nationality?
6. What, if any, foreign language do you speak?
7. Are you a citizen of the United States? If naturalized, can you produce proof of your citizenship?
8. What is your present occupation?
9. How long have you been employed in present occupation at the present mine?
10. How long so employed in this State or elsewhere?
11. How long have you been employed in coal mining in any capacity?
12. Are you in the habit of using intoxicants? If so, to what extent?

## PRACTICAL EXPERIENCE.

1. Briefly describe a coal field.
2. What is understood by dip, strike, outcrop, and basin?
3. Define the difference between a fault and dike.
4. Name the different varieties of coal in this State.
5. Name the different kind of openings of coal mines.
6. Briefly describe the conditions which govern the different kind of openings.
7. Describe the two principal methods of working coal seams.
8. What is understood by mine ventilation, and why is it necessary?
9. Describe the different systems of ventilating coal mines.
10. What is meant by splitting the air currents and what advantages are derived by so doing?
11. Name the two most common gases found in coal mines. Explain how detected, where found, and how removed.
12. What do you know about fire damp; state what experience you have had in any mine generating explosive gas.
13. What is meant by a safety lamp and what are the essential features of a good safety lamp for a fire boss?
14. Name and describe the best safety lamp that you know of for general use in coal mines.
15. Name the various instruments used by mine foremen and fire bosses in and around coal mines; briefly explain their use.
16. In a seam of coal that is undermined by hand, what are the principal precautions that you would insist on miners taking?
17. What, in your opinion, are the principal causes of the greatest number of fatalities in our mines?
18. Do you consider it safe to use electric machinery in a dusty mine if explosive gas is sometimes found therein? If not, explain fully.
19. In a dusty mine liable to explosion, what precautions would you adopt to avoid accidents?
20. If you had charge of a mine, the workings of which were approaching an old mine to the rise and fall of water, what precautions would you adopt?
21. If you had an explosion in the mine, destroying the ventilating apparatus, what would you do first and how would you proceed to explore?
22. Describe the duties of a mine foreman as prescribed by the new mining law. (Copy of law furnished by local superintendent.)
23. Describe the duties of a fire boss as prescribed by the new mining law.
24. What is the most important duty of a shot lighter previous to firing shots?
25. State in detail your experience in and around coal mines in this State or elsewhere.

## ARITHMETIC AND MENSURATION.

In answering following questions, 62.5 pounds per cubic foot will be used as weight of water, and  $7\frac{1}{2}$  gallons will be considered as 1 cubic foot.

1. Name and denote the four common signs used in arithmetic.
2. What do the following abbreviations mean: °, ', ", %, W.G., V, p.?
3. Explain the difference between a common fraction and a decimal. Give an example.
4. Extract the square root of 114,921. Show process.
5. Extract the cube root of 912,673. Show process.
6. If the scale on a map is 200 miles to the inch, what distance does  $3\frac{1}{2}$ " represent?
7. What is the rubbing surface in a 6-foot square airway 2,000 feet long?

8. What is the rubbing surface in a rectangular airway  $3' \times 12'$ , 2,000 feet long?

9. What is the area and perimeter of the airways in questions 7 and 8?

10. In an airway  $8' \times 8'$ , the velocity of the air current is 480 feet per minute. What quantity is circulating?

11. How many cubic feet of air is passing per minute in an airway  $8' \times 6'$  if the velocity is 20 yards in 12 seconds?

12. If the area of a square airway is 42 square feet, what is its perimeter?

13. In a rectangular airway one side of which is 8 feet and its diagonal is 10 feet, what is its area and perimeter? Show process.

14. How many cubic yards in a shaft 16 feet long, 12 feet wide, and 200 yards deep?

15. How many tons (2,000 pounds) of material in a rectangular shaft  $12' \times 8' \times 400'$  deep, specific gravity of rock being 2.24?

16. How many gallons of water in a circular shaft 10 feet in diameter and 440 feet deep? Give answer in United States and Imperial gallons.

17. If a slope pitching 6% is 2,000 feet long, 10 feet wide, and 6 feet high, becomes filled with water until the edge of water is within 1,200 feet of the mouth, how many U. S. gallons are there in it?

18. If a pump is capable of pumping 100 gallons per minute and working 10 hours per day, in how many days will it pump the water out in question 17, assuming there is a constant inflow of 20 gallons per minute?

19. How many pounds of coal in a cubic yard if the specific gravity is 1.27?

20. How many tons of coal in an acre if the thickness of seam is 5 feet and specific gravity is 1.24?

21. How many tons of coal in a triangular piece of coal whose sides are 40 feet, 60 feet, and 180 feet, respectively, thickness of seam  $4'8''$ , specific gravity 1.3?

22. How many tons of slack in a cylindrical steel bin, 20 feet in diameter and 40 feet deep, assuming 1 cubic foot to weigh 50 pounds.

23. In brushing an entry 8 feet wide,  $2'4''$  high, and 200 yards long, how many cubic yards would be removed?

24. If an entry 10 feet wide, 6 feet high, is driven for 1,000 feet, how many tons of coal was removed if the specific gravity is 1.25?

25. If a cubic yard of coal weighs 2,100 pounds, what is its specific gravity?

26. What is the area and circumference of a circle, the diameter being 10 feet?

27. What is the length of the side of a square having the same area as circle in question No. 26?

28. How many long tons of 45-pound steel rails would you order to relay a slope 3,400 feet long?

29. How many ties would you need to relay the above slope if the ties are placed 20-inch centers?

30. How many sacks of cement would be required for an engine foundation  $24' \times 18' \times 5'$  deep, assuming you use 6 sacks to the cubic yard?

31. If a trip of 20 cars averaging 3,200 pounds of coal is hoisted in 16 minutes, what is the tonnage in a day of 8 hours?

32. If a car of coal weighing 3,000 pounds is hoisted through a shaft every 50 seconds, what is the capacity per hour?

33. In a shaft 200 yards deep, a car of coal is hoisted every minute, allowing 15 seconds for dumping or caging of cars, find the average velocity of cage per second?

34. If the capacity of a shaft is 1,200 tons per day of 8 hours, what is the average weight of coal in pit cars if a car is hoisted every 40 seconds?

35. If a shaft is 220 yards deep, how many coils of rope would there be on a drum 10 feet in diameter?

36. If there are 22 coils of rope on a drum 12 feet in diameter, how deep is the shaft, allowing 4 coils to be stationary?

37. If a vein of coal is  $4'2''$  thick and has two streaks of impurities  $6''$  and  $8''$ , respectively, what per cent of worthless material does it contain?

38. If the production of a shaft is 800 tons per day of mine run, and after screening you have 120 tons of nut coal, 275 tons of pea and slack, and 5 tons of rock, what is the percentage of lump, nut, pea, and slack, and rock?

39. What is the area of an engine cylinder that is 18 inches in diameter?

40. What is the weight of a steel shaft 10 feet long and 8 inches in diameter, specific gravity of steel being 7.85?

[Second list sent out.]

## PRACTICAL QUESTIONS ON COAL MINING.

1. What is atmospheric air composed of? Name its component parts and state their proportion by weight and volume.
2. What is the weight of a cubic foot of air when the barometer registers 28 inches and the thermometer reading is 80° F.?
3. What is the weight of a cubic foot of  $\text{CH}_4$  and  $\text{CO}_2$  under the same conditions as mentioned in question 2?
4. What is meant by the specific gravity of a solid and a gas? Give the specific gravity of some solid and some well-known gas found in coal mines.
5. What is understood by the chemical symbol of a gas? Give the symbol of the two most common gases found in coal mines.
6. What is understood by the transpiration of a gas, and what is the difference between transpiration and diffusion?
7. What is fire damp? State the proportion and percentage of  $\text{CH}_4$  in the mixture within the explosive limits, also proportion and percentage at its maximum explosive force.
8. What is after damp? State what gaseous mixtures it generally consists of and its effect on life and combustion.
9. Name, give symbol, specific gravity, etc., of three compound gases found in coal mines.
10. What is meant by coefficient of friction used in problems relating to ventilation of coal mines? Use Atkinson figures.
11. Give Atkinson's well-known algebraic formula for solving ventilating problems.
12. In order to show that you understand the formula, substitute figures for the mine you are working at and find the ventilating pressure.
13. What is a water gauge? If the water-gauge reading is 2.5 feet, what is the ventilating pressure in pounds per square foot.
14. If the quantity of air produced in a mine is 50,000 cubic feet per minute and the water-gauge reading is 2.5, what is the horsepower producing the ventilation?
15. If the velocity of an air current is 200 feet per minute and the water-gauge reading is .8, what would be the water-gauge reading if the velocity is doubled?
16. If 40,000 cubic feet of air is circulating through a mine with 4 horsepower, what horsepower would be required to circulate 80,000 cubic feet?
17. What is a barometer? How is it affected by altitude?
18. What is a siphon, and to what elevation will it pass water when barometer reading is 24 inches?
19. If a slope is pitching 45 degrees and is 2,500 feet long, what is the pressure per square inch on the pump column 40 feet from the face?
20. What is the pressure per square inch on the pump plungers in a shaft 240 yards deep?
21. Who was the discoverer of the principal factor of the safety lamp? What size wires are used in making the gauze, and how many apertures to the square inch?
22. Why is it that the flame of a safety lamp inclosed in a wire gauze will not ignite the surrounding explosive mixture?
23. What is the difference between 10 per cent and 10 degree pitch? Explain by a diagram.
24. The diameter of the piston of an engine is 10 inches and length of stroke is 18 inches. The engine makes 200 revolutions per minute with a mean effective pressure of 50 pounds per square inch. What is the horsepower of the engine?
25. If a fan is 20 feet in diameter and makes 100 revolutions per minute, what is the peripheral speed at the tip of the blade?

[Second list sent out.]

## ARITHMETIC AND MENSURATION.

In answering following questions, 62.5 pounds per cubic foot will be used as weight of water, and 7½ gallons will be considered as 1 cubic foot.

1. Name and denote the four common signs used in arithmetic.
2. What do the following abbreviations mean: °, ', ", %, W.G., V, p.?



3. Explain the difference between a common fraction and a decimal. Give an example.
4. Extract the square root of 114,921. Show process.
5. Extract the cube root of 912,673. Show process.
6. If the scale on a map is 200 miles to the inch, what distance does  $3\frac{1}{4}$ " represent?
7. What is the rubbing surface in a 6-foot square airway 2,000 feet long?
8. What is the rubbing surface in a rectangular airway  $3' \times 12'$  2,000 feet long?
9. What is the area and perimeter of the airways in questions 7 and 8?
10. In an airway  $8' \times 8'$  the velocity of the air current is 480 feet per minute. What quantity is circulating?
11. How many cubic feet of air is passing per minute in an airway  $8' \times 6'$  if the velocity is 20 yards in 12 seconds?
12. If the area of a square airway is 42 square feet, what is its perimeter?
13. In a rectangular airway one side of which is 8 feet and its diagonal is 10 feet, what is its area and perimeter? Show process.
14. How many cubic yards in a shaft 16 feet long, 12 feet wide, and 200 yards deep?
15. How many tons (2,000 pounds) of material in a rectangular shaft  $12' \times 8' \times 400'$  deep, specific gravity of rock being 2.24?
16. How many gallons of water in a circular shaft 10 feet in diameter and 440 feet deep? Give answer in United States and imperial gallons.
17. If a slope pitching 6 per cent is 2,000 feet long, 10 feet wide, and 6 feet high, becomes filled with water until the edge of water is within 1,200 feet of the mouth, how many U. S. gallons are there in it?
18. If a pump is capable of pumping 100 gallons per minute and working 10 hours per day, in how many days will it pump the water out in question 17, assuming there is a constant inflow of 20 gallons per minute?
19. How many pounds of coal in a cubic yard if the specific gravity is 1.27?
20. How many tons of coal in an acre if the thickness of seam is 5 feet and specific gravity is 1.24?
21. How many tons of coal in a triangular piece of coal whose sides are 40 feet, 60 feet, and 80 feet, respectively, thickness of seam  $4' 8''$ , specific gravity 1.3?
22. How many tons of slack in a cylindrical steel bin 20 feet in diameter and 40 feet deep, assuming 1 cubic foot to weigh 50 pounds?
23. In brushing an entry 8 feet wide,  $2' 4''$  high, and 200 yards long, how many cubic yards would be removed?
24. If an entry 10 feet wide, 6 feet high, is driven for 1,000 feet, how many tons of coal was removed if the specific gravity is 1.25?
25. If a cubic yard of coal weighs 2,100 pounds, what is its specific gravity?
26. What is the area and circumference of a circle, the diameter being 10 feet?
27. What is the length of the side of a square having the same area as circle in question No. 26?
28. How many long tons of 45-pound steel rails would you order to relay a slope 3,400 feet long?
29. How many ties would you need to relay the above slope if the ties are placed 20-inch centers?
30. How many sacks of cement would be required for an engine foundation  $24' \times 18' \times 5'$  deep, assuming you use 6 sacks to the cubic yard?
31. If a trip of 20 cars, averaging 3,200 pounds, of coal is hoisted in 16 minutes, what is the tonnage in a day of 8 hours?

## WEITZEL EXHIBIT NO. 6.

TRINIDAD, COLO., October 13, 1913.

*To whom it may concern:*

I, Leo J. Kahn, hereby certify that I was present at a meeting of the United Mine Workers' or organizers held in the Packer Building, at Trinidad, Colo., on or about July 25, 1913, and heard an address made by a man introduced to me as Mr. Wallace, editor of the United Mine Workers' Journal. During Mr. Wallace's address that evening he told the organizers to tell the men to arm

themselves with the best rifles money would buy, get up on the hills and not be a damned bit particular who they picked off. The following morning in conversation with Wallace he told me that the methods advised by him the night before was the only way to do it.

LEO J. KAHN.

STATE OF COLORADO, *County of Las Animas, ss:*

Leo J. Kahn, being first duly sworn, on his oath deposes and says: That he has read the above and foregoing affidavit by me made, knows the contents thereof, and that the matters and things therein stated are true to his own knowledge.

[SEAL.]

LEO J. KAHN.

Subscribed and sworn to before me this 13th day of October, A. D. 1913.

[SEAL.]

J. ORLANDO NORTHCUTT,  
Notary Public.

My commission expires August 15, 1917.

### WEITZEL EXHIBIT NO. 7.

November, 1914.

Name of mine.	Days worked.	Production (A and 21 reports.)	Loss in tonnage.	
Morley.....	16	15,496.50	8,716	968.50
Sopris.....	24	13,709.40	671	571.20
Tercio.....	25	6,350.95		254.04
Primero.....	17	22,299.15	10,494	1,311.70
Frederic.....	18	21,863.45	8,502	1,214.00
Berwind.....	20	9,364.55	2,341	468.20
Tabasco.....	21	13,914.70	2,650	662.60
Rouse.....	22	15,851.15	2,161	720.50
Lester.....	23	9,421.40	819	409.60
Ideal.....	25	9,693.30		
Cameron.....	24.125	11,068.75		
Walsen.....	24.125	19,494.75		
Robinson.....	25	10,912.60		
Gulch.....	21.50	5,630.00		
Floresta.....	24.875	4,244.60		
		189,335.25	28,254	

Coal dumped on ground during November:

Ideal.....	2,216.25
Cameron.....	2,443.15
Walsen.....	4,393.80
Robinson.....	1,463.35
	10,516.55
	28,254
	189,335
	38,770 (20.50%)
	87,867.0
	903.00

### WEITZEL EXHIBIT NO. 8.

THE COLORADO FUEL & IRON CO.,  
Pueblo, Colo., December 19, 1914.

Mr. LEWIS K. BROWN,  
Secretary Commission on Industrial Relations,  
Chicago, Ill.

DEAR SIR: In compliance with request of Mr. Basil M. Manly, dated December 12, I am returning herewith transcript of my testimony before the Industrial Relations Committee in Denver, December 8 and 9.

I have made pencil corrections at different places where the transcript was in error.

On page 1662 I testified as follows:

"In the speech of Mother Jones, quoted by Mr. Weinstock yesterday, as an illustration dealing with class hatred, it says:

"Fellow workers—I won't say ladies and gentlemen, for ladies and gentlemen are thieves, robbers, and highwaymen."

At the time I testified to this I was under the impression that the speech in the hands of the committee and which had been quoted from by Mr. Weinstock was the speech delivered at Starkville. I have since learned that it was a speech delivered at Segundo or some other point, and the speech I referred to in my testimony was one delivered by Mother Jones at Starkville, a copy of which I am inclosing herewith.

There were statements made by witnesses who followed me on the stand which I would have been glad to have corrected, but did not have the opportunity on account of lack of time. I will now take advantage of the offer made in Mr. Manly's letter to make some further statements.

The first is with reference to a statement made by John McLennan that the county officials in Huerfano and Las Animas Counties were under the employ of the coal companies. So far as our company is concerned, I will say that there never has been a single dollar paid to any county official for services rendered our company, and no county official while serving in such capacity was ever on our pay roll in any sense.

The Rev. McDonald made the statement that camp houses were never repaired, and in many cases were pig sties. I doubt whether the Rev. McDonald was ever in any of our camps, and in contradiction of his statement I wish to say that we have been spending an average of more than \$30,000 a year on painting and repairing camp houses. We have kept a gang of painters busy continuously for the last several years, moving from one camp to another, repainting camp houses both inside and out, and have always kept our houses in the best of repair.

A witness from Morley handed in statements of his earnings, and Chairman Walsh noticed deduction of 50 cents for bath, and in reply to a question asked by the chairman this witness stated that he was charged 50 cents per month for the privilege of the bathhouse. He was in error in making this statement without qualifications. The bathhouse is entirely free to all employees. There are a limited number of lockers in the bathhouse provided for those who care to rent them, which enables an employee to place his clothes in the locker and to change clothes before he goes home. The only charge made is for those who have the private lockers. All others use the bathhouse free of charge.

The statement was made by Judge Lindsey, quoting from report of one of the State labor commissioners, that the C. F. & I. Co. employed child labor in and about the mines and coke ovens. This is absolutely false. Our rules with regard to employment of boys under 16 years of age are most rigid, and circular letter issued by me was put in evidence among those with reference to the observance of the law. I recall a report from one of our superintendents at the coke plant that on the occasion of a visit of one of the factory inspectors he found a small boy at the coke ovens wheeling a wheelbarrow of coke. Investigation developed that the boy had taken lunch to his father, and while his father was eating the lunch he was attempting in a childish way to wheel a barrow of coke. This was seized on by the labor commissioner as an opportunity to charge us with child labor. We are always glad to show our pay rolls to anyone who cares to investigate, and will defy anyone to find boys employed at either the mines or ovens under the legal age.

Yours, truly,

E. H. WEITZEL.

THE COLORADO FUEL & IRON Co.,  
Pueblo, Colo., December 19, 1914.

UNITED STATES COMMISSION ON INDUSTRIAL RELATIONS,  
Chicago, Ill.

(Attention of Mr. M. J. Dower.)

DEAR SIR: Referring to your letter of December 10, asking for certain information.

The printed form of record used when a man is employed is inclosed herewith.

All orders issued to employees with reference to mining laws of Colorado were placed in evidence while I was on the stand.

The data showing three mines at which 90 per cent signed a statement as to their satisfaction I think were turned in by Mr. Welborn as Morley, Tercio, and

Primero. This was a statement signed by employees to the effect that they did not want to see a strike. At these particular mines the desertions were as follows:

Morley employed 337 men in September, 1913, and 14 went on strike.

Tercio employed 253 men, and 79 went on strike.

Primero employed 372 men, and 50 went on strike.

We, however, had two mines at which no men went on strike until they were forced out by intimidation about 30 days after strike was called. They are in isolated districts where the United Mine Workers had not apparently had time to pay any attention to until after the strike was well under way in other parts of the State. The mines I refer to are Crested Butte and Floresta, in Gunnison County. Floresta employed 169 men and Crested Butte 190.

The picture of the first-aid team requested in your letter was handed to you in Denver.

Yours, truly

E. H. WEITZEL.

THE COLORADO FUEL & IRON CO.,  
Pueblo, Colo., December 21, 1914.

Mr. LEWIS K. BROWN,  
Secretary Commission on Industrial Relations,  
Chicago, Ill.

DEAR SIR: Supplementary to my letter of the 19th instant, beg to submit the following:

W. F. Lenthal testified that when he was employed at one of the C. F. & I. mines in Huerfano County, either Walsen or Cameron, that he was furnished mine water for domestic purposes and was charged either 50 cents or a dollar per month. After he left the stand I spoke to him and asked him about it, and he said that if he had made that statement that he was mistaken, that he referred to the Mutual mine, operated by the Mutual Coal Co., and that he had never been charged for water at a C. F. & I. Co. mine. I was unable to see his testimony, but I feel sure that the commission, as well as others, got the impression that he was testifying as to either Cameron or Walsen when he made this statement.

Senator Helen Ring Robinson, I am told, made the statement on the stand that I had admitted to her that we paid the militia. I did not admit it to her, but made the statement to her that we had paid some of the militia. Some of our former employees and some men who had been in our employ for 8 or 10 years joined the militia and, in common with other employers of the State, did not discontinue their salaries, but there was not to exceed six or eight of these men, or I would have information if there had been more. After the militia had been in the field for a considerable length of time, and the State was unable to pay them, there were many enlisted men who came to me with stories of destitution, saying that their families were without funds and destitute. To a number of these I loaned small sums, and in some cases think were paid back and in others not. Some of these were personal loans, and I do not recall a case where I used company funds for this purpose.

As an example of the inability of the leaders of the U. M. W. to control their members I wish to cite the present strike at Pittsburg, Kans., where the whole district has been out for four or five weeks on account of discharge of three employees by the Cherokee & Pittsburg Coal Mining Co. Notwithstanding the fact that the leaders from the district have been in the field, they have been unable to put the men back to work.

Yours, truly,

E. H. WEITZEL.

#### PATTERSON EXHIBIT NO. 1.

CERTIFIED COPIES OF CORONER-JURY VERDICTS IN ALL CASES OF ACCIDENTAL, VIOLENT, OR UNNATURAL DEATHS OF COAL MINERS IN AND AROUND THE COAL MINES OF HUERFANO COUNTY, STATE OF COLORADO, SINCE THE 1ST DAY OF JULY, 1905, UNTIL THE 30TH DAY OF NOVEMBER, 1914.

#### VERDICT OF JURY.

STATE OF COLORADO, County of Huerfano, ss:

An inquisition, holden at Shumway, in Huerfano County, State of Colorado, on the 18th day of July, 1905, before S. Julian Lammie, coroner of said county,

7266 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

upon the body of William Whiles, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That deceased met death due to his own negligence, and we can not attach blame to no other.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

THOS. FURPHY,  
JOHN H. KELLY,  
HARVEY GALVIN,  
ALEX FERGUSON,  
L. A. DUBBIN,  
GEO. WILSON,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition, holden at Hazron mine office, in Huerfano County, State of Colorado, on the 14th day of September, 1905, before S. Julian Lammie, coroner of said county, upon the body of Leonard Banoletti, there lying dead, by the jurors whose name are hereto subscribed; said jurors upon their oath do say: Leonard Banoletti came to his death by a fall of rock, due to his own negligence in not timbering properly.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JIM MARTINEZ,  
A. H. EDMISTEN,  
GARHARD FLEMING,  
MIKE KUPISON,  
JULIAN MARTINEZ,  
NICK MARTINEZ,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition, holden at doctor's office, Rouse, in Huerfano County, State of Colorado, on the 16th day of August, 1905, before S. Julian Lammie, coroner of said county, upon the body of Joe Petrie, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That, to the best of their knowledge, the deceased came to his death by a fallen rock and the accident was unavoidable.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. K. GARCIA,  
T. AGOVLUSGUA,  
GEO. FREW,  
Alex McFAING,  
M. S. PATTERSON,  
VINCENT DONATI,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Pryor mine office, in Huerfano County, State of Colorado, on the 21st day of September, 1905, before S. Julian Lammie, coroner of said county, upon the body of Domenico Lauza, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That

Domencio Lauza came to his death by a fall of rock striking him on back of neck, breaking his neck, which caused his death. He was killed in 5 left entry at mouth of 17 room. It was an unavoidable accident.

In testimony whereof the said jurors have hereunto set their hands, the day and year aforesaid.

N. L. FOSTER,  
M. A. QUINTANA,  
A. C. ARTHUR,  
G. W. CORSEPIN,  
PIO GACHEMET,  
GUS WILLIAMS,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

#### VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Midway mine office, in Huerfano County, State of Colorado, on the 3d day of June, 1905, before S. Julian Lammie, coroner of said county, upon the body of Angelo Mattevi, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: Deceased came to his death by an unavoidable accident in the Midway mine; we exonerate all parties.

In testimony whereof the said jurors have hereunto set their hands, the day and year aforesaid.

W. S. THOMAS,  
PAUL GHIARDI,  
E. B. LITTLE,  
GUSTO GARCIA,  
D. H. REDUIGER,  
J. J. SEGURA,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

#### VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Midway mine office, in Huerfano County, State of Colorado, on the 16th day of September, 1905, before S. Julian Lammie, coroner of said county, upon the body of Paul Sholtez, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: We, the jurors, find that said Paul Sholtez came to his death by rock fall in the third south entry, Walsen Slope Midway mine. Said rock known as a pot rock, and was unavoidable accident. We further exonerate the company from all blame.

In testimony whereof the said jurors have hereunto set their hands, the day and year aforesaid.

J. M. KREEGER,  
A. S. SIMPSON,  
CHAS. MCCOY,  
G. JACKSON,  
JOE RUHOW,  
D. ANDREATA,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

#### VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsen mine in Huerfano County, State of Colorado, on the 14th day of March, 1905, before Lammie, coroner of said county, upon the body of K. Natokani, there lying dead, by the jurors whose names are

7268 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

hereto subscribed; said jurors upon their oaths do say: Said K. Natokani came to his death by a fall of rock caused by his own carelessness in failing to take the rock down or timbering it, so that it would be safe to work under it.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JOHN WILLIAMS,  
HENRY GORDON,  
HENRY SAVAGE,  
ROBT. (his x mark) JENKINS,  
JAMES DICKSON,  
ALEX HAIRON,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Rugby, in Huerfano County, State of Colorado, on the 22d day of November, 1905, before S. Julian Lammie, coroner of said county, upon the body of David Ferguson, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: David Ferguson came to his death on the 21st day of November, 1905, by a fall of rock in the third north entry of the Rugby mine. Death was due to his own negligence.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

WILLIAM LUTER,  
T. LITTLE JOHN,  
H. R. WHITAKER,  
JOHN E. POHALA,  
ROBERT TOPPING,  
A. H. EDMISTEN,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Midway mine office in Huerfano County, State of Colorado, on the 15th day of April, 1906, before S. Julian Lammie, coroner of said county, upon the body of J. M. Martinez, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: We find that J. M. Martinez died through injury sustained in the Midway mine by a fall of rock in No. 1 room, fourth right entry, through his own carelessness.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. M. KREGER,  
A. S. SIMPSON,  
W. S. THOMAS,  
VICTORINO TRUJILLO,  
CHAS. MCCOY,  
LARONDO VIGIL,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Midway mine office, in Huerfano County, State of Colorado, on the 15th day of November, 1906, before W. C. Hunt, Justice of the

peace, acting coroner of said county, upon the body of Leandro Cordova, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: Unavoidable accident; that the deceased, Leandro Cordova, came to his death through an unavoidable accident in Midway mine.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

CHAS. MCCOY,  
JOHN LONG,  
VICTO VIGIL,  
MANUEL NARANGO,  
W. C. CLEEK,  
W. J. FREEMAN,  
*Jurors.*

Attest:

W. C. HUNT,  
*Justice of the Peace,*  
*Acting Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at McGuire, Colo., in Huerfano County, State of Colorado, on the 13th day of December, 1906, before W. C. Hunt, justice of the peace, acting as coroner of said county, upon the body of Tom Vargo, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say that deceased came to his death by an unavoidable accident.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

W. E. THOMPSON,  
GEO. PRUDHOL,  
H. M. THOMPSON,  
WM. HEINTZ,  
WM. WESTON,  
SAM CHAMBERLAIN,  
*Jurors.*

Attest:

W. C. HUNT,  
*Justice of the Peace,*  
*Acting Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Rouse mine office, in Huerfano County, State of Colorado, on the 24th day of July, 1906, before S. Julian Lammie, coroner of said county, upon the body of Joe Odarizzi, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: We, the jury in the case of the death of Joe Odarizzi, do find that he came to his death by a fall of rock; that he was warned of its condition; and that he is solely to blame. We hereby exonerate the company from all responsibility.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. M. CLYDE,  
GEO. WILSON,  
JAMES HILTON,  
SAM TOLNICK,  
J. R. GARCIA,  
MANUEL TAFOYA,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Pryor, in Huerfano County, State of Colorado, on the 25th day of July, 1906, before S. Julian Lammie, coroner of said county,



upon the body of Mike Kica, there lying dead, by the jurors whose names are hereto subscribed, said jurors upon their oaths do say: We, the undersigned, as jurymen, according to the statements of witnesses, do hereby agree and conclude that the deceased came to his death by his own carelessness, and no one to blame but himself.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

LEM SOMERS,  
BEET MCGUIRE,  
L. S. JONES,  
PETER J. HENDERSON,  
FRANK CULLAN,  
GEO. DASKO,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Toltec mine office, in Huerfano County, State of Colorado, on the 2d day of August, 1906, before S. Julian Lammie, coroner of said county, upon the body of John Langa, there lying dead, by the jurors whose names are hereto subscribed, said jurors upon their oaths do say: That John Langa came to his death by a fall of rock through his own carelessness, by not securing it with props.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

S. B. SMITH,  
A. P. BRITTAN,  
HENRY CARLSON,  
GRANT STICKLER,  
MIGUEL JUSUS MAEZ,  
THOS. HARRIS,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Champion mine, in Huerfano County, State of Colorado, on the 4th day of August, 1906, before S. Julian Lammie, coroner of said county, upon the body of Y. Makagua, there lying dead, by the jurors whose names are hereto subscribed, said jurors upon their oaths do say: We, the undersigned jury, return a verdict thus, that one Y. Makagua came to his death by neglect upon his own part and no other.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. F. HAYES,  
JOHN HARRIS,  
B. KASTER,  
DIE DAVIS,  
ROBERT YOUNG,  
J. W. HULSEY,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Champion mine office, in Huerfano County, State of Colorado, on the 7th day of August, 1906, before S. Julian Lammie, coroner

of said county, upon the body of Hugh Clark, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That H. Clark came to his death by a pot rock that fell from the roof, and we the jurors agree that it was his own carelessness by not propping the place.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

WM. RILEY,  
JOHN HARRIS,  
A. PROUD,  
ALEX WILSON,  
STEF JULIO,  
JOHN CALDERHEAD,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Maitland, in Huerfano County, State of Colorado, on the 2d day of June, 1906, before S. Julian Lammie, coroner of said county, upon the body of Thomas Hunter, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: Thomas Hunter came to his death by a fall of rock, and came through neglect of himself by not supporting same with timber or taking it down.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

ROBERT YOUNG,  
JOHN HARVEY,  
MARTIN HERMAN,  
JOHN MUIR,  
TIM (his x mark) CARBON,  
JAS. WRIGHT,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Midway mine office, in Huerfano County, State of Colorado, on the 25th day of January, 1906, before S. Julian Lammie, coroner of said county, upon the body of Mike Ribor, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: Mike Ribor came to his death January 25, 1906, about 8.30 a. m. by a fall of pot rock, No. 8 room, fifth north entry of Midway mine. We agree that death was due to an unavoidable accident, and we exonerate the company from all blame.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

A. S. SIMPSON,  
W. C. CLERK,  
M. F. CLERK,  
JOE DOUDY,  
W. S. THOMAS,  
J. M. KREEGER,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Pinon store, Shumway, in Huerfano County, State of Colorado, on the 15th day of January, 1906, before S. Julian Lammie, coroner

7272 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

of said county, upon the body of John Cupelli, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: We, the jury, find according to the evidence of the witnesses that this man came to his death by his own carelessness.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

W. R. DAVIDSON,  
HENRY CARLSON,  
OLIVER DAVIDSON,  
W. H. WOODRUFF,  
WM. OVERSBY,  
J. J. MILLER,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Strong, in Huerfano County, State of Colorado, on the 13th day of May, 1906, before C. W. Cox, deputy coroner of said county, upon the body of Cruse Montoya, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: We, the undersigned, find through the evidence given here this 13th day of May, 1906, that Cruse Montoya came to his death at the Strong mine, Colorado, through neglect on their, or his own, part by not timbering their place after finding that the roof was bad.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JAMES GRAHAM,  
WM. A. MCLENNAN,  
H. C. DOFFLER,  
JOE FERNOSLEY,  
ALBERTO VIGIL,  
JOHN SIMPSON,

*Jurors.*

Attest:

C. W. COX,  
*Deputy Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Rouse, in Huerfano County, State of Colorado, on the 14th day of July, 1916, before S. Julian Lammie, coroner of said county, upon the body of S. J. Hall, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: Deceased came to his death on January 13, 1906, at 3.45 p. m., by being run over by a car. Death was due to negligence of deceased.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JAMES O'NEIL,  
JOE BRANDI,  
R. GARCIA,  
M. S. PATTERSON,  
LYWERING RIEADONA,  
N. C. FASSERREI,

*Jurors.*

Attest:

S. JULIAN LAMMIE.

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition, holden at Maitland schoolhouse, in Huerfano County, State of Colorado, on the 20th day of February, 1906, before S. Julian Lammie, coroner of said county, upon the bodies of B. Lovearr, N. Jacovaeli, A. Zametti,

J. W. Setters, W. Morran, K. Kosher, Joe Kaster, F. Beam, J. Nizzi, N. Nizzi Longari, Fred Zamia, Archie Miller, Pete Oregoyio, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That the above-named men came to their death at Maitland mine at about 9 a. m., February 19, 1906. We furthermore find that the above-named men came to their death by suffocation caused by an explosion of gas on the fourth, West Sunshine entry, in No. 4 or 5 room of the Maitland mine. We, the jury, find, according to the evidence produced before us, that the deaths of the above-named men was an unavoidable accident and every known precaution which miners could take was taken to avoid the same.

In testimony whereof, the said jurors have hereunto set their hands the day and year aforesaid.

E. L. TROUNSTINE,  
A. B. (his x mark) O'NEIL,  
ROBERT YOUNG,  
RICHARD MUIR,  
VICTOR LANDOVAL,  
CARPIO ARCHULETA,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Shumway mine office, in Huerfano County, State of Colorado, on the 29th day of August, 1907, before S. Julian Lammie, coroner of said county, upon the body of George Roya, or Roela, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: We the jury do find that the deceased met his death from a fall of rock, due to unforeseen and unavoidable circumstances, occurring during disobedience of orders.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. F. HAYS,  
A. EDWIN WARNES,  
JOSEPH KLEIN,  
ROBERT MITCHELL,  
S. M. ALBRIGHT,  
W. R. CURTIS,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsen mine office, in Huerfano County, State of Colorado, on the 14th day of September, 1907, before S. Julian Lammie, coroner of said county, upon the body of Giovanni Felici, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That we find that Giovanni Felici came to his death through his own carelessness by not taking the manway, as notice in the slope calls the attention of all employees to travel the manway, as it is dangerous to go down the slope.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JOHN WILLIAMS,  
JOHN STEWART,  
IMBETO SERAFINO,  
CHAS. DUCKMILLER,  
ROBT. ALEXANDER,  
GEO. W. DAVIS,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

7274 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 30th day of April, 1907, before S. Julian Lammie, coroner of said county, upon the body of Walter Notman, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That an inquest holden at Walsenburg, Colo., on the body of the above-mentioned party do find that the deceased came to his death between the hours of 6 and 7 a. m. on Monday, April 29, 1907, in the Midway Mine, situated near Pryor, Huerfano County, Colo. By the evidence produced his death was due to his carelessness in using a naked lamp, thereby exploding gas while performing his duties as fire boss in the aforesaid mine; and further, from the evidence produced, we find the company and its employees are in no way to blame for the carelessness of the deceased.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

E. L. TROUNSTINE, *Forcman*,  
JOHN WRIGHT,  
FRANK HAYS,  
CHARLES HARRIMAN,  
E. N. EUBANK,  
M. G. FAIR,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Pryor mine office, in Huerfano County, State of Colorado, on the 31st day of January, 1907, before S. Julian Lammie, coroner of said county, upon the body of Claud Rouchietta, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That deceased came to his death from fallen rock, unavoidable, in the Walsen vein of the Pryor mine on the 31st day of January, 1907.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

VICTOR MAZZONE,  
A. L. TROUT,  
ALFRED GOHFELD,  
FRANK CULLAN,  
ED (his x mark) RAYMOND,  
C. H. TAFT,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Pictou mine office, in Huerfano County, State of Colorado, on the 12th day of February, 1907, before S. Julian Lammie, coroner of said county, upon the body of Domenico Basso, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Domenico Basso came to his death from his own carelessness in Pictou mine, and we, the jurors, exonerate the company from any blame in this matter on Monday, February 11, 1907.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

R. M. MACLEAN,  
C. D. CRAFT,  
JOHN ANDERSON,  
CHARLES ROSS,  
GEORGE ANDERSON,  
A. P. BRITAIN,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at town hall in Huerfano County, State of Colorado, on the 14th day of March, 1907, before S. Julian Lammie, coroner of said county, upon the body of Pete Melkjo, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That the deceased, Pete Melkjo, met his death in the Rocky Mountain, No. 3 entry, first north, room 16, said mine, address McGuire, Colo., on March 13, 1907, at about 8.30 a. m., by a fall of rock due to the negligence of management of said mine.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. J. WRIGHT,  
H. D. HARRISON,  
H. A. HAWKINS,  
LOUIS VALINI,  
FRANK S. MAUBO,  
RICHARD AMIDI,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Pryor, in Huerfano County, State of Colorado, on the 15th day of January, 1908, before W. C. Hunt, justice of the peace, acting coroner of said county, upon the body of D. L. Vigil, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: D. L. Vigil came to his death by car running over him and by his own carelessness.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

L. R. FOSTER,  
ALEX. M. YOUNG,  
JOE DEVINE,  
J. E. TORHATIS,  
GEO. A. MCCOWN,  
LIBRADO MORA,  
*Jurors.*

Attest:

W. C. HUNT,  
*Justice of the Peace, Acting Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Rugby mine office, in Huerfano County, State of Colorado, on the 23d day of November, 1907, before S. Julian Lammie, coroner of

**7276 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.**

said county, upon the body of Jacob Rathovitch, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Jacob Rathovitch was killed in Rugby mine by unavoidable accident.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. D. JEFFREYS,  
JOSEPH WOOD,  
LOUIS GRANDRONE,  
FRANK COLNAR,  
PAUL PROITZ,  
JOE JENNENATHI,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

**VERDICT OF JURY.**

**STATE OF COLORADO, County of Huerfano, ss:**

An inquisition holden at Pictou mine office, in Huerfano County, State of Colorado, on the 21st day of December, 1907, before S. Julian Lammie, coroner of said county, upon the body of Henry Thomas, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That accident was unavoidable and was caused by a windy shot. We find that fault of accident lays with deceased.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

LEE HENDERSON,  
W. C. CLEMENS,  
R. B. MOORE,  
ARCHIE FINCH,  
HENRY LEWIS,  
GEO. ANDERSON,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

**VERDICT OF JURY.**

**STATE OF COLORADO, County of Huerfano, ss:**

An inquisition holden at Midway, in Huerfano County, State of Colorado, on the 30th day of December, 1907, before S. Julian Lammie, coroner of said county, upon the body of George Kuzmoric, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That George Kuzmoric came to his death by stepping in front of a runaway trip of empty pit cars at the fifth left entry in the Midway mine. We further find his death was an unavoidable accident and no one to blame.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

A. S. SIMPSON, *Foreman,*  
J. M. KREEGER,  
A. HODGE,  
J. F. HAYS,  
JOHN RAITE,  
JOE ROHAN,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

**VERDICT OF JURY.**

**STATE OF COLORADO, County of Huerfano, ss:**

An inquisition holden at Shumway, in Huerfano County, State of Colorado, on the 4th day of June, 1908, before S. Julian Lammie, coroner of said county,

upon the body of George Borica, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That the deceased, George Borica, came to his death due to an unavoidable accident.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

H. R. WILLIAMS,  
THOS. THOMPSON,  
ED. SEIFHEIT,  
THOMAS OVERSTREY,  
FRANK CONWAY,  
ABE SCHOLES,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

#### VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 10th day of January, 1908, before S. Julian Lammie, coroner of said county, upon the body of Matt Matsui, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Matt Matsui came to his death in the Midway mine on January 9, 1908, being run over by a empty trip due to his own carelessness.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JOHN J. WRIGHT,  
M. Y. FAIR,  
JAMES STEWART,  
TIOFILO BUSTOS,  
GEORGE PHIPPS,  
JOSEPH HILL,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

#### VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 7th day of January, 1908, before S. Julian Lammie, coroner of said county, upon the body of Domenica Vigil and Delia Vigil, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That the deceased came to their death due from their own carelessness.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

VICTOR MAZZONE,  
JOHN J. WRIGHT,  
WILLIAM KRIER,  
W. H. RICHARDSON,  
C. F. HORDS,  
A. MILLES,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

#### VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Maitland, in Huerfano County, State of Colorado, on the 31st day of December, 1907, before S. Julian Lammie, coroner of said county, upon the body of John Condor, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That said



7278 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

John Condor came to his death by accident due to his own carelessness and neglect in room mine sixth east entry, Maitland mine, at 10.45 o'clock a. m., December 31, 1907.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

LOU H. HANNA,  
RAY E. JERIS,  
A. R. RENT,  
R. MILLER,  
JOHN MILLER,  
ED TONER,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Shumway mine office, in Huerfano County, State of Colorado, on the 22d day of November, 1907, before S. Julian Lammie, coroner of said county, upon the body of William Dean, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That the said William Dean came to his death 22d day of November, 1907, in Pinlon mine, room No. 3, second north entry, through an unavoidable accident.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

M. Y. FAIR,  
ROBERT MITCHELL,  
PAUL FLAWERS,  
ALEX STOVER,  
JOE J. JRIFFI,  
JOHN WESTON,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 1st day of October, 1907, before S. Julian Lammie, coroner of said county, upon the body of Robert Old, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That the deceased, Robert Old, came to his death due to his own carelessness.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

VICTOR MAZZONE,  
TONY CACIAVELTAIN,  
JUAN Y. MARTINEZ,  
JOSE ELICIO MARTINEZ,  
A. J. MARTINEZ,  
FRANK TIERRA,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Oakdale, Colo., in Huerfano County, State of Colorado, on the 19th day of November, 1908, before S. Julian Lammie, coroner of said county, upon the body of Mike Blozsky, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That

Mike Blozosky came to his death on November 18, 1908, in the Oakvale mine, No. 1, by being struck by two empty cars turning into the back stope, and it was an unavoidable accident and no one to blame for said accident.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

WIER G. McEVoy,  
GEO. BRUCE,  
JOHN GALASSINI,  
GEO. STONE,  
W. C. BROWN,  
JAMES TURNER,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 2d day of November, 1910, before S. Julian Lammie, coroner of said county, upon the body of James McCoy, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That James McCoy came to his death in Tloga mine on November 1, 1910, by being run over by loaded cars. Cause of death is unknown to this jury.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. D. FARR,  
W. L. EDWARDS,  
JOSEPH H. PATTERSON,  
E. EVENS,  
JOHN FURPHY,  
CHAS. BAUBIEN,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 1st day of December, 1910, before S. Julian Lammie, coroner of said county, upon the body of Teolosfaro Castelli, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That the deceased came to his death November 30, 1910, on or about 4.30 p. m., at the Ravenwood coal mine, owned and operated by Victor-American Fuel, at Ravenwood, from accidental injuries sustained from fall of rock while employed at said mine. Cause of accidental death due to his own carelessness.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

C. V. MAZZONE,  
JOSEPH H. PATTERSON,  
ISRAEL FRYE,  
J. S. GARDNER,  
J. D. FARR,  
JOHN FURPHY,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 1st day of October, 1910, before W. C. Hunt, acting coroner of

said county, upon the body of Andy Korac, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: We, the jury, find that deceased, Andy Korac, came to his death by a fall of rock in No. 2 room of the first second cross entry on the Rocky Mountain Co.'s mine, Huerfano County, State of Colorado, at the 30th day of September, A. D. 1910, said death being caused by an unavoidable accident.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

H. C. DOEFFLER,  
JOHN FURPHY,  
J. S. GARDNER,  
JAR. G. PRITCHARD,  
J. D. FARR,  
JOSEPH H. PATTERSON,  
*Jurors.*

Attest:

W. C. HUNT,  
*Acting Coroner of Huerfano County.*

**VERDICT OF JURY.**

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 22d day of November, 1910, before S. Julian Lammie, coroner of said county, upon the body of Pete Angeli, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: Pete Angeli came to his death in the Maitland mine on the 22d of November, 1910, by a fall of slate, said death being accidental and unavoidable.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. S. GARDNER,  
J. D. FARR,  
JOHN MURPHY,  
JOSEPH H. PATTERSON,  
ISRAEL FRYE,  
W. L. EDWARDS,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

**VERDICT OF JURY.**

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsen mine, in Huerfano County, State of Colorado, on the 7th day of October, 1910, before S. Julian Lammie, coroner of said county, upon the body of Harry Mover, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Harry Mover came to his death 8 p. m. October 6, 1910, by a fall of rock on first north parting room mine. We think said accident was entirely unavoidable; we do not hold any one whatsoever responsible for this accident.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

MAT GILMOUR,  
L. G. ROOYES,  
JAS. McNALLY,  
J. H. PHILLIPS,  
JOHN BURKE,  
WM. G. ROSS,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

**VERDICT OF JURY.**

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 27th day of November, 1910, before S. Julian Lammie, coroner of said

county, upon the body of Nickolas Erkamp, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That the deceased came to his death while employed at the Cameron coal mine, at Cameron, Huerfano County, Colo., by a fall of rock, and attribute said accidental death to negligence and lack of mining experience.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

VICTOR MAZZONE,  
JOSEPH H. PATTERSON,  
M. L. EDWARDS,  
JAS. G. PRITCHARD,  
ISRAEL FRYE,  
J. D. FARR,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Oakview, in Huerfano County, State of Colorado, on the 20th day of December, 1910, before S. Julian Lammie, coroner of said county, upon the body of Dan Pacheco, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Dan Pacheco came to his death on December 20, 1910, in the new mine at Oakview by a fall of coal. Said accident was due to negligence on the part of Pacheco himself.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

D. L. EDWARDS,  
CHAS. M. FEY,  
JOHN KIOELL,  
JAS. ENGLAND,  
JNO. GARDNER,  
MARIUS BELO,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 16th day of December, 1910, before S. Julian Lammie, coroner of said county, upon the bodies of John Autill and George Swolla, there lying dead, by the juror whose names are hereto subscribed: said jurors upon their oaths do say: That John Autill and George Swolla came to their deaths in the face of the third panel of the first west entry in the Big Four coal mine, in Huerfano County, State of Colorado, December 15, 1910, at 5 o'clock p. m.; that the said deaths was caused by a runaway car; that the said accident was unavoidable.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. S. GARDNER,  
JOSEPH H. PATTERSON,  
JACK EVENS,  
CHAS. M. FEY,  
H. C. DUFFLER,  
ISRAEL FRYE,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 23d day of October, 1910, before S. Julian Lammie, coroner of said

county, upon the body of Frank Kasper, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That the deceased came to his death by being run over by a coal-mine car on or about 5 a. m., October 23, 1910, at the Globe mine, in Huerfano County, Colo., said accident being cause of death was unavoidable.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

VICTOR MAZZONE,  
J. S. GARDNER,  
JOHN FURPHY,  
JOSEPH H. PATTERSON,  
J. D. FAER,  
W. L. EDWARDS,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 11th day of June, 1910, before S. Julian Lammie, coroner of said county, upon the body of Frank Walker, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: Frank Walker came to his death on June 11, 1910, in Pictou mine, room No. 7, fifth cross entry. Cause of death, according to testimony, was heart failure.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JOSEPH H. PATTERSON,  
JOHN FURPHY,  
J. D. FAER,  
HOMER POTTS,  
GEO. DAREDIS,  
WALTER EDWARDS,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 5th day of April, 1910, before S. Julian Lammie, coroner of said county, upon the body of John Nickal, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That deceased came to his death in Ravenwood mine by a fall of rock, due to his own negligence in not setting props, and that his death occurred on the 5th day of April, 1910.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

FRANK MEADE,  
WILLIAM KRIEB,  
JON. G. PRITCHARD,  
JOHN FURPHY,  
JOSEPH H. PATTERSON,  
WALTER M. AENOLD,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 10th day of May, 1910, before S. Julian Lammie, coroner of said county, upon the body of Paul Kolack, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: Paul Kolack came to his death on May 9, 1910, in Ravenwood mine while in the act of pushing an

empty car from the main slope to his room. While so doing a loaded car broke loose from the trip which was going out and ran back down the slope and turned into Kolack's room, catching him and killing him.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

WALTER EDWARDS,  
WILLIAM KRIER,  
JUAN A. MEDINA,  
J. D. FARR,  
JOHN FURPHY,  
M. Y. FARR,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsen mine, in Huerfano County, State of Colorado, on the 13th day of June, 1910, before S. Julian Lammie, coroner of said county, upon the body of Pete Smith, alias Pete Mazeko, there lying dead, by the jurors whose name are hereto subscribed; said jurors upon their oaths do say: That Pete Smith, alias Pete Mazeko, came to his death by a fall of rock in Robinson mine June 13, 1910; we the jury find that said accident was unavoidable, because unforeseen; we place the blame of this accident on no one whatever.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

M. GILMOUR,  
J. M. LAMMIE,  
CHAS. W. FAY,  
J. H. PHILLIPS,  
MIKE NEGRO,  
JOHN BURK,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at mine office, Rugby, in Huerfano County, State of Colorado, on the 8th day of May, 1910, before S. Julian Lammie, coroner of said county, upon the body of Joe Silva, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Joe Silva came to his death by his own carelessness and exonerate the company and contractor for whom he was working from all blame. Joe Silva met his death on May 7, 1910, while working in Primrose mine in room No. 11, ninth, south entry.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

CHAS. W. COX, *Foreman*,  
CHAS. M. FEY,  
F. O. CASSON,  
BERT MCGUIRE,  
L. E. DUNCAN,  
R. BARAZZI,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Toltec, in Huerfano County, State of Colorado, on the 27th day of May, 1910, before S. Julian Lammie, coroner of said county, upon the body of Frank Lenzeni, there lying dead, by the jurors whose names

7284 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

are hereto subscribed; said jurors upon their oaths do say: That Frank Lenzeni came to his death in Toltec mine on May 26, 1910, by a fall of rock in room No. 16. Said accident was unavoidable.

In testimony whereof said jurors have hereunto set their hands the day and year aforesaid.

JOHN FURPHY,  
ROBERT MARSHALL, Jr.,  
T. ORTEGO,  
OLIVER ESPE,  
J. G. WALLACE,  
H. M. STOCKWELL,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Ideal mine, in Huerfano County, State of Colorado, on the 12th day of June, 1910, before S. Julian Lammie, coroner of said county, upon the body of Nick Barder, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Nick Barder came to his death June 11, 1910, by being run over by a loaded mine car. Said accident was unavoidable.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JAS. TWEEDLE,  
E. L. KENNEY,  
RICHARD WALES,  
E. BERNINI,  
JACK GRUBRICH,  
ROSILIO ORNELLIE,  
*Jurors.*

Attest.

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 18th day of September, 1911, before S. Julian Lammie, coroner of said county, upon the body of Martin Atida, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: The deceased came to his death on September 17, 1911, on or about 11.45 p. m., at the Solar coal mine, Huerfano County, Colo. Cause of death was due to breaking his neck by accidentally falling a distance of 15 feet into the coal chute of said coal mine.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

C. VICTOR MAZZONE,  
JOHN FURPHY,  
JOE PATTERSON,  
J. S. GARDNER,  
E. EVANS,  
ISRAEL FRYE,  
*Jurors.*

Attest.

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 9th day of August, 1911, before S. Julian Lammie, coroner of said county,

upon the body of John Szarvos, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: The deceased came to his death by a fall of rock while working at the Ideal coal mine, operated and owned by C. F. & I. Co., in Huerfano County, Colo., on the 9th day of August, 1911, at or about 8.15 a. m. The cause of said accidental death was due to the carelessness and negligence of the deceased.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

C. VICTOR MAZZONE,  
JOS. H. PATTERSON,  
E. W. KRIER,  
J. S. GARDNER,  
JOHN FURPHY,  
WALTER EDWARDS,

*Jurors.*

Attest.

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

#### VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Picton, Colo., in Huerfano County, State of Colorado, on the 27th day of October, 1911, before W. C. Hunt, justice of the peace, acting coroner of said county, upon the body of Robert Larson, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: We, the undersigned jury of the inquest held on the body of Robert Larson, deceased, on the 27th day of October, A. D. 1911, find that the said deceased came to his death at Picton, Colo., on the morning of the 27th day of October, A. D. 1911, by being crushed by a fall of rock and that the said death was accidental.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. S. GARDNER,  
J. P. THOMAS, Jr.,  
E. EVANS,  
JOHN FURPHY,  
ISRAEL FREY,  
WALTER EDWARDS,

*Jurors.*

Attest:

W. C. HUNT,  
*Justice of the Peace, Acting Coroner of Huerfano County.*

#### VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at mine office, Rouse, in Huerfano County, State of Colorado, on the 18th day of October, 1911, before W. C. Hunt, justice of the peace, acting coroner of said county, upon the body of Bassilio Cherotto, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: We, the jury empaneled this 18th day of October, 1911, in a certain inquisition concerning the death of Bassilio Cherotto, we find that the deceased came to his death by a rock falling on him; we further find that according to the evidence the Colorado Fuel & Iron Co. was not negligent and in no way to blame for his death.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

C. A. RODDELL,  
N. S. PATTERSON,  
JOE BIANCHI,  
FRED BELLOTTI,  
AB. CUTTER,  
MIKE DITIZUS,

*Jurors.*

Attest:

W. C. HUNT,  
*Justice of the Peace, Acting Coroner of Huerfano County.*



## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsen mine, in Huerfano County, State of Colorado, on the 23d day of August, 1911, before S. Julian Lammie, coroner of said county, upon the body of Ralph Morgan, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That he came to his death by being struck by a trip of empty mine cars. We further find that all the necessary precaution had been taken to avoid the accident. We further find that the accident was unavoidable, and exonerate all persons connected therewith from any blame whatever.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JOHN WILLIAMS,  
CHARLES A. KAISER,  
JAS. H. PHILLIPS,  
J. G. BIEVETT,  
MOSE VIGIL,  
SAM MAES,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Oakview, in Huerfano County, State of Colorado, on the 29th day of July, 1911, before S. Julian Lammie, coroner of said county, upon the body of William Young, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That William Young came to his death on July 28, 1911, about 4.30 p. m. from injuries received in the new mine of the Oakdale Coal Co. on July 27, 1911; we further find that said injuries were caused by a pure and simple accident and can blame no one for the accident.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

E. M. MATHEWS,  
D. L. EDWARDS,  
T. ENGLAND,  
ERNEST BAUER,  
FRANK TOGHENS,  
O. B. BEAMER,

*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at the mine office in McGuire, in Huerfano County, State of Colorado, on the 7th day of December, 1912, before W. C. Hunt, a justice of the peace, and acting as coroner of said county, upon the body of Joe Pearson, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That they find that the deceased met his death accidentally, caused by his own negligence in not timbering properly.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

N. H. VAN ZANDT,  
FRANK VALDEZ,  
J. M. BROWN,  
JESSE HALE,  
THOMAS OWENSBY,  
CHAS. Q. CORNELL,

*Jurors.*

Attest:

W. C. HUNT,  
*Justice of the Peace, Acting Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 16th day of October, 1912, before S. Julian Lammie, coroner of said county, upon the body of Frank Gribovski, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Frank Gribovski came to his death in the Caddell mine, in Huerfano County, on October 14, 1912, from a fall of rock; that the said deceased was trying to rescue Battisto Taish, who was caught underneath a rock in the same mine; that the said accident was wholly unavoidable.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. S. GARDNER,  
J. A. MEDINA,  
JUAN ALBERT,  
CHAS. BAUBIEN,  
ISRAEL FEYE,  
TEOFILO BUSTOS,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Oakview, in Huerfano County, State of Colorado, on the 2d day of October, 1912, before S. Julian Lammie, coroner of said county, upon the body of Anton Puk, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Anton Puk came to his death on October 1, 1912, about 3.20 p. m., in the new mine at Oakview, on the stump between rooms Nos. 2 and 3, on second cross. We find that, according to testimony, it was gross neglect on his part in not timbering and putting his place in safety when every facility was at hand, and we find a verdict of accidental death.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JOHN LANE,  
JOE KROELL,  
LEMUEL REES,  
BOB PRITCHARD,  
WM. T. JAHENSON,  
WM. D. SHEELEY,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 19th day of December, 1912, before S. Julian Lammie, coroner of said county, upon the body of Louis Bernassi, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Louis Bernassi came to his death in the Toltee mine, in Huerfano County, Colo., on December 18, 1912, and that the cause of death being to this jury unknown.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. S. GARDNER,  
G. W. SESSUMS,  
JOHN FURPHY,  
GEORGE PHIPPS,  
E. EVANS,  
ISRAEL FEYE,  
*Jurors.*

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Oakview, in Huerfano County, State of Colorado, on the 15th day of January, 1912, before S. Julian Lammie, coroner of said county, upon the body of Henry Beck, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: We find that Henry Beck came to his death by a fall of rock in No. 2 room, second cross, in new mine, at Oakview, Colo., January 15, 1912. Said accident was due to negligence on part of deceased and his partner by not timbering and making the place safe when they knew rock was loose.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

DAVID PARKS,  
JAS. HOLVEY,  
JOE KROELL,  
D. L. EDWARDS,  
THOS. THOMAS,  
PETER BAUDINO,

Jurors.

Attest:

S. JULIAN LAMMIE,  
Coroner of Huerfano County.

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 9th day of February, 1912, before S. Julian Lammie, coroner of said county, upon the body of Guiseppi Sassatelli, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: We the jury find that Guiseppi Sassatelli came to his death in the Robinson mine, February 8, 1912, at about 11.30 a. m., caused by a fall of rock, which accident was unavoidable. We further find no one responsible whatsoever for the aforesaid accident.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

A. B. BICKUTT,  
J. H. PHILLIPS,  
SAM MAIO,  
DAVID BODYCOMB,  
MIKE NIGRO,  
H. CRANK,

Jurors.

Attest:

S. JULIAN LAMMIE,  
Coroner of Huerfano County.

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 16th day of October, 1912, before S. Julian Lammie, coroner of said county, upon the body of Battisto Tals, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Battisto Tals came to his death on October 14, 1912, in the Caddell mine in Huerfano County, Colo., and the said death was caused by a fall of rock, said accident being unavoidable.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. S. GARDNER,  
J. A. MEDINA,  
JUAN ALBERT,  
CHAS. BAUBIEN,  
ISRAEL FRYE,  
TEOFILO BUSTOS,

Jurors.

Attest:

S. JULIAN LAMMIE,  
Coroner of Huerfano County.

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Oakview, in Huerfano County, State of Colorado, on the 28th day of October, 1912, before S. Julian Lammie, coroner of said county, upon the body of Joe Kraukota, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: We as a jury have carefully considered the case of the death of Kraukota and have to the best of our judgment after hearing the evidence of Jos. England, his partner, also Caleb Davis, working next room. We also considered the evidence of W. Morgan, superintendent, who suggested a method of working the place different to what was done by the deceased. We find that there is no blame attached to anyone and find a verdict of purely accidental death.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JOHN LANE,  
JOE KROELI,  
DAVID PRICE,  
ALEX. SMALLWOOD,  
WM. SHEELEY,  
BOB PRITCHARD,

Jurors.

Attest:

S. JULIAN LAMMIE,  
Coroner of Huerfano County.

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 12th day of October, 1912, before S. Julian Lammie, coroner of said county, upon the bodies of John Curich and Chris Beljan, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That the said John Curich and Chris Beljan came to their death at Ravenwood, Huerfano County, Colo., at about 12.30 p. m., October 11, 1912, and that said deaths were caused by a fall of rock in room No. 3 of the American Victor Fuel Co., and that the said accident was unavoidable.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. S. GARDNER,  
G. W. DAVIDSON,  
J. G. MARTINEZ,  
J. M. ESPINOZA,  
MIGUEL MONTOYA,  
ISBAEL FRYE,

Jurors.

Attest:

S. JULIAN LAMMIE,  
Coroner of Huerfano County.

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 2d day of May, 1913, before W. S. Chapman, coroner of said county, upon the body of Edward Burns, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: We, the jury, find that Edward Burns came to his death May 1, 1913, at 3.30 o'clock p. m., by accidental fall of rock in Black Canon Fuel Co. mine, known as the Caddell mine, 1½ miles of Walsenburg, Colo., in room 19, second north.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

G. W. SESSUMS,  
E. EVANS,  
J. A. MEDINA,  
J. W. STEWART,  
ISRIEL FRYE,  
J. D. FARR,

Jurors.

Attest:

W. S. CHAPMAN,  
Coroner of Huerfano County.

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at La Veta, Colo., in Huerfano County, State of Colorado, on the 6th day of January, 1913, before S. Julian Lammie, coroner of said county, upon the bodies of Andrew Sneddon and William Sneddon, there lying dead, by the jurors whose names are hereto subscribed, said jurors, upon their oaths, do say that Andrew Sneddon and William Sneddon came to their death on Friday, January 3, 1913, at 10 minutes to 12 a. m., at the Alliance mine, Huerfano County, Colo., in room 6 of the second panel through an unavoidable fall of coal and rock.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

S. J. CAPPS,  
T. C. STEELE,  
J. B. LENNOX,  
C. E. TUNEZ,  
E. C. WRIGHT,  
C. BERGOINO,

Jurors.

Attest:

S. JULIAN LAMMIE,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Oakview, in Huerfano County, State of Colorado, on the 4th day of December, 1913, before W. S. Chapman, coroner of said county, upon the body of John Garlic, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: John Garlic came to his death as a result of an injury received in Oakview, Huerfano County, Colo., November 27, 1913, at 7 p. m., and he died in Pueblo, Colo., 7 p. m., November 29, 1913. Said injury, in our opinion, was due to a premature shot, and as a result of his own carelessness.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

CHAS. PRATOR,  
FRANK LEE,  
NELO P. OLSEN,  
H. HOWARD,  
JOHN GWILLYN,  
E. D. RASE,

Jurors.

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 15th day of April, 1913, before W. S. Chapman, coroner of said county, upon the body of Jim Vatakos, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That the said Jim Vatakos came to his death while working in the Ravenwood coal mine on the 15th day of April, 1913, and that his death was caused by a fall of rock, and that the said accident was negligence on the part of the deceased.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JOHN S. GARDNER,  
D. T. WYCOFF,  
J. A. MEDINA,  
ISRIEL FRYE,  
J. W. STEWART,  
J. D. FARR,

Jurors.

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 8th day of August, 1913, before W. S. Chapman, coroner of said county, upon the body of Joe Gullelmi, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Joe Gullelmi came to his death at Rouse, Colo., on the 7th day of August, 1913, while working in the seventh west entry of the C. F. & I. coal mine, and the said death was caused by a fall of rock due to his own carelessness.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JOHN S. GARDNER,  
E. EVANS,  
G. W. SESSUM,  
ISRIEL FRYE,  
FRANK FRESKES,  
ROY V. HILL,  
*Jurors.*

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An Inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 11th day of August, 1913, before W. S. Chapman, coroner of said county, upon the body of Jacob Vecic, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That the deceased Jacob Vecic came to his death by fall of rock August 9, 1913, about 3 p. m. at the Ravenwood mine, belonging to Victor-American Fuel Co., at Ravenwood, Colo., Huerfano County. His death was caused by unavoidable accident.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. W. STEWART,  
J. A. MEDINA,  
ISRIEL FRYE,  
JOHN FURPHY,  
JOSE CARNACIO MARTINEZ,  
W. S. EDWARDS,  
*Jurors.*

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Oakview, in Huerfano County, State of Colorado, on the 7th day of May, 1913, before W. S. Chapman, coroner of said county, upon the body of Emelio Val, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That we as a jury summoned to act on the death of Emelio Val, after hearing and carefully considering all the evidence submitted in the case, do say that Emelio Val came to his death in the Oakdale mine, at Oakview, Colo., at about 2.35 p. m. on the 7th day of May, 1913, A. D., and that his death was caused by an accidental fall of coal and do not think any person was to blame.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

WM. D. SHEELEY,  
DAVID PRICE,  
EDWARD LUMLY,  
JOHN J. SHONSKE,  
RICHARD F. DAVIS,  
ALEX. SMANWOOD,  
*Jurors.*

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsenburg, in Huerfano County, State of Colorado, on the 7th day of November, 1913, before W. S. Chapman, coroner of said county, upon the body of Mike Billy, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Mike Billy came to his death in the Pryor mine of the Union Coal & Coke Co. at Pryor, Huerfano County, Colo., at about 12 o'clock November 16, 1913, by means of a fall of rock from the roof of said Pryor mine, and that death was sudden and resulted from a fall of rock which was purely accidental and unavoidable.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. D. FARR,  
J. A. MEDINA,  
ANTONIO L. PACHECO,  
ISRIEL FREY,  
D. T. WYCOFF,  
J. W. STEWART,

*Jurors.*

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Oakview, in Huerfano County, State of Colorado, on the 27th day of January, 1914, before W. S. Chapman, coroner of said county, upon the body of H. M. Park, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That H. M. Park came to his death in the Oakdale No. 2 mine at 8.10 a. m., January 27, 1914, from a fall of coal from the roof at the face of room 3, ninth cross entry, the same being accidental, and that no person or persons is responsible for his death.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

V. DIXON,  
CHAS. A. PARCELL,  
FRANK LEE,  
NELS P. OLSON,  
JOE GALVAN,  
E. D. ROSE,

*Jurors.*

Attest.

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Farr, Colo., in Huerfano County, State of Colorado, on the 26th day of February, 1914, before W. S. Chapman, coroner of said county, upon the body of Chas. H. Werden, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That the said Chas. H. Werden, according to the testimony of several witnesses, came to his death about 9.40 p. m., February 25, 1914, by an unavoidable accident received in the Cameron mine, Farr, Colo.; said accident due to the negligence on the part of the deceased in riding on trip contrary to the rules of the Colorado Fuel & Iron Co.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

V. S. SKINNER,  
R. B. STOUT,  
M. R. JONES,  
SAMUEL BLANCO,  
MARTINO BERATTINO,  
J. K. DRINNON,

*Jurors.*

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsen mine office, in Huerfano County, State of Colorado, on the 24th day of June, 1914, before W. C. Hunt, justice of the peace, acting coroner of said county, upon the body of Mike Marcinko, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Mike Marcinko came to his death from injuries received in the Walsen mine, sixth west entry, caused by the slackening speed of the mule team, causing the tail chain to loosen, which chain caught under wheel of the first car, wrecking the trip. And we, the jury, find no person or persons responsible for the accident.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. C. DIEKETT,  
CHAS. E. STOUT,  
JOE HUGHES,  
THOMAS FARR,  
JOHN WILLIAMS,  
GUS PEARSON,  
*Jurors.*

Attest:

W. C. HUNT,  
*Justice of the Peace,*  
*Acting Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Ravenwood, in Huerfano County, State of Colorado, on the 28th day of July, 1914, before W. S. Chapman, coroner of said county, upon the body of Joe Martinez, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Joe Martinez came to his death through his own carelessness in Ravenwood mine, at Ravenwood, Colo., at 10.30 a. m., July 27, 1914, by being run over by a loaded pit car, and that said death was accidental, and no person or persons were to blame for the accident.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

A. M. LAWRENCE,  
C. BURSLESON,  
A. B. BISHOP,  
JOE WATSON,  
ROBT. NELSON,  
JOHN WEGSHIGER,  
*Jurors.*

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Ravenwood, in Huerfano County, State of Colorado, on the 19th day of January, 1914, before P. P. Lester, deputy coroner of said county, upon the bodies of John Vinksel and George Mocker, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That John Vinksel and George Mocker came to their deaths in the Ravenwood mine on January 17, 1914, at about 12 o'clock noon, caused by a blow-out shot. Their deaths were accidental and caused by their own carelessness.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

C. BURSLESON,  
F. MATHWELL,  
JOE MARTINEZ,  
ALEX M. YOUNG,  
BATTISTA GALASSINI,  
IRE WATSON,  
*Jurors.*

Attest:

P. P. LESTER,  
*Deputy Coroner of Huerfano County.*



## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Lester, in Huerfano County, State of Colorado, on the 8th day of June, 1914, before W. S. Chapman, coroner of said county, upon the body of Diego Godimers, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Diego Godimers came to his death at 8 o'clock a. m., June 7, 1914, said death being caused in room 12, Walsen mine, No. 45, second cross entry, located at Lester, Colo.; that his death was caused by being caught by a loaded car of coal, due entirely to his own negligence in running said car too far out into the second dip or haulage way.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

J. S. GARDNER,  
W. A. BAYLIS,  
JOSE S. ARAGON,  
HENRY MEDINA,  
G. W. FOX,  
D. McLAUGHLIN,  
*Jurors.*

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Walsen mine, in Huerfano County, State of Colorado, on the 4th day of November, 1914, before W. S. Chapman, coroner of said county, upon the body of Mike Sporakis, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Mike Sporakis came to his death in the Walsen mine of the C. F. & I. Co., in Huerfano County, Colo., at about 1 o'clock p. m., November 2, 1914, death being caused by an accidental fall of rock, and in our opinion no one is to blame for said accident.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

MARION E. BAMBRIDGE,  
FRANK E. WOODARD,  
CLAUDE BRYSON,  
H. B. HAUTHORNE,  
WILEY PHILLIPS,  
WILLIAM ROSS,  
*Jurors.*

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Larrimore mine, also known as the Jackson mine, in Huerfano County, State of Colorado, on the 15th day of November, 1914, before W. S. Chapman, coroner of said county, upon the body of David H. Miller, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That we the jurors find that Dave Miller met his death by a fall of rock in the Jackson mine, October 14 at 11.45 a. m., by an accident through his own carelessness.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

WM. LONG,  
J. C. CURTIS,  
WM. HIGDON,  
JESSE HALE,  
MILES MCKENNA,  
J. H. QUINN,  
*Jurors.*

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Strong, in Huerfano County, State of Colorado, on the 19th day of November, 1914, before W. S. Chapman, coroner of said county, upon the body of Pete Parvoloff, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That Pete Parvoloff came to his death in entry 13, room 1, of the second dip of the Sunnyside Coal Mining Co.'s mine at Strong, Colo., by fall of rock from roof of room; said fall was caused by the negligence of said Pete Parvoloff for not timbering room as instructed by mine foreman. We find Pete Parvoloff came to his death by his own neglect and carelessness.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

S. C. WOLF,  
E. KELLY,  
V. O. MIESS,  
RAY SHEA,  
W. H. SHEA,  
A. W. STRADER,  
*Jurors.*

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Rugby, Colo., in Huerfano County, State of Colorado, on the 20th day of November, 1914, before W. S. Chapman, coroner of said county, upon the body of Sam Sudor, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: This deceased came to his death by a fall of rock in the Rugby Fuel Co. mine, caused by insufficient number of props being in place as per foreman's instructions, thereby no blame is attached to Rugby Fuel Co. Death occurred about 11 a. m., November 19, 1914, in Huerfano County, Colo.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

FRED P. MOSS,  
M. DUNCAN,  
BERT ALLISON,  
CLAUDE MACEY,  
HENRY MURPHY,  
JAMES CLELAND,  
*Jurors.*

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

## VERDICT OF JURY.

STATE OF COLORADO, *County of Huerfano, ss:*

An inquisition holden at Gordon mine, in Huerfano County, State of Colorado, on the 28th day of November, 1914, before W. S. Chapman, coroner of said county, upon the body of Edward Lewis, there lying dead, by the jurors whose names are hereto subscribed, said jurors upon their oaths do say: That Edward Lewis came to his death in Gordon mine, Huerfano County, Colo., about 9.40 p. m., November 26, 1914, by being accidentally electrocuted from an electric current passing through his body from one hand to the other. We, the jury, find that Edward Lewis came to his death through an accident of his carelessness by coming in contact with the current while making connection with machine wire to main wire.

**7296 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.**

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

JOHN R. FOLEY,  
LEON POLL,  
TONY BELIK,  
JOHN BONIFER,  
ELISIE HOWER,  
EUGENE SCHOLES,  
*Jurors.*

Attest:

W. S. CHAPMAN,  
*Coroner of Huerfano County.*

**VERDICT OF JURY.**

STATE OF COLORADO, *County of Huerfano, ss:*

An Inquisition holden at Oakview, in Huerfano County, State of Colorado, on the 2d day of November, 1914, before Arthur A. Foote, justice of the peace, acting coroner of said county, upon the body of Rudolph Nilas, there lying dead, by the jurors whose names are hereto subscribed; said jurors upon their oaths do say: That said Rudolph Nilas came to his death in the so-called old mine of the Oakdale Coal Co., second north entry, while performing his duty as coal digger, caused by fall of rock, due to removal of prop or timber by said Rudolph Nilas; said cave of rock occurred on the 31st day of October, about 1.30 p. m. We further believe that said fall of rock was natural to pillar work.

In testimony whereof the said jurors have hereunto set their hands the day and year aforesaid.

W. L. COURTWRIGHT,  
CHAS. E. ADAMS,  
ABNER T. BAKER,  
T. H. WEANER,  
WM. MOORE,  
DAN F. HOGAN,  
*Jurors.*

Attest:

ARTHUR A. FOOTE,  
*Justice of the Peace and Acting Coroner of Huerfano County.*

STATE OF COLORADO, *County of Huerfano, ss:*

I, T. M. Hudson, clerk of the district court of Huerfano County, State aforesaid, do hereby certify the above and foregoing to be a true, complete, and perfect transcript and copies of coroner-jury verdicts in all cases of accidental, violent, or unnatural deaths of coal miners in and around the coal mines of Huerfano County, State of Colorado, since the 1st day of January, 1905, until the 30th day of November, 1914, as the same now remains on file and of record in this office.

Witness my hand and the seal of the said court at the courthouse in Walsenburg County and State aforesaid this 2d day of December, 1914.

[SEAL.]

T. M. HUDSON, *Clerk.*  
By JOSEPH H. PATTERSON,  
*Deputy Clerk.*

**PATTERSON EXHIBIT NO. 2.**

*List of deputy sheriffs commissioned by Jefferson B. Farr, sheriff of Huerfano County, Colo., from January, 1913, to May 29, 1914.*

[By Joseph H. Patterson, deputy clerk of the district court of Huerfano County, Colo.]

January 15, 1913:

D. E. Farr.  
Homer Potts.  
Joe Hill.  
Silverio Martinez.  
J. D. Farr.  
H. H. Dally.  
J. J. Wright.  
Epifano Martinez.

January 16, 1913:

J. C. Lawler.  
J. F. Atencio.  
Jake Mandoline.  
M. Y. Farr.  
Walter Belk.

January 17, 1913:

Deciderio Vigil.  
Nath Patterson.

## PATTERSON EXHIBIT NO. 2—Continued.

*List of deputy sheriffs commissioned by Jefferson B. Farr, sheriff of Huerfano County, Colo., from January, 1913, to May 20, 1914—Continued.*

## January 17, 1913—Continued.

Charles Goemmer.  
J. A. Medina.  
Ruben Kaster.  
January 18, 1913:  
Enrico Matirolli.  
A. R. Scott.  
January 20, 1913:  
Tomas A. Martinez.  
T. C. Bailey.  
George Bruce.  
J. B. Garcia.  
January 21, 1913:  
George McBay.  
J. B. Aragon.  
Louis Owens.  
John Albert.  
Joe Watson.  
January 22, 1913:  
B. G. Stone.  
January 23, 1913:  
Felix Abeyta.  
W. M. Arnold.  
January 25, 1913:  
W. W. Runnells.  
Librado Martinez.  
January 27, 1913:  
Alf Cocetti.  
Juan N. Pineda.  
January 28, 1913:  
Librado Mora.  
January 30, 1913:  
Claude Capps.  
Joe Ball.  
C. A. Kaiser.  
January 31, 1913:  
A. J. Steele.  
Juan G. Bustos.  
Marcus Martinolich.  
February 1, 1913:  
Frank S. Mauro.  
February 3, 1913:  
Daniel Valdez.  
Sam Dunford.  
February 5, 1913:  
George A. McGown.  
February 6, 1913:  
A. D. Valdez.  
February 7, 1913:  
E. R. Strong.  
J. L. Potter.  
February 8, 1913:  
Al Cutler.  
February 10, 1913:  
George Moyer.  
February 14, 1913:  
E. W. Krier.  
Tom Britton.  
Joe Augster.  
Dan Richards.  
February 17, 1913:  
J. L. Price.  
G. Giullarci.

## February 19, 1913:

A. C. Felts.  
Frank Lynch.  
March 3, 1913:  
L. H. McGowan.  
Archie Mauldin.  
Phil Read.  
March 4, 1913:  
G. R. Benson.  
James McClain.  
March 7, 1913:  
Alber G. Griesbach.  
March 14, 1913:  
D. C. Scott.  
March 17, 1913:  
Melvin Gibson.  
March 19, 1913:  
Carmen Medina.  
April 7, 1913:  
W. E. Crowe.  
April 12, 1913:  
Fred Liddell.  
March 14, 1913:  
A. Klassen.  
May 21, 1913:  
Theodoro Sandoval.  
June 7, 1913:  
Cartulo Gallegos.  
June 20, 1913:  
C. W. Belcher.  
July 3, 1913:  
George Brdar.  
July 5, 1913:  
Joe Bianchi.  
August 4, 1913:  
A. W. Brown.  
August 12, 1913:  
W. M. Oskison.  
August 15, 1913:  
H. M. Graves.  
August 18, 1913:  
Isaac Patterson.  
Josh Patterson.  
August 26, 1913:  
C. B. Ashworthe.  
September 1, 1913:  
R. B. Stout.  
September 2, 1913:  
Antonio Pacheco.  
Harry L. Deweese.  
Charles E. Reck, jr.  
September 4, 1913:  
Thomas S. Farr.  
H. Carlton.  
Jose Maes.  
September 5, 1913:  
Samuel Collins.  
T. Q. Vigil.  
Jose Trujillo.  
Manuel Valdez.  
September 9, 1913:  
Geo. E. Huret.

## PATTERSON EXHIBIT NO. 2—Continued.

*List of deputy sheriffs commissioned by Jefferson B. Farr, sheriff of Huerfano County, Colo., from January, 1913, to May 20, 1914—Continued.*

## September 10, 1913:

F. C. Brown.  
Luis C. Vallegos.  
F. Sloan.

## September 11, 1913:

H. H. Saunderson.

## September 12, 1913:

A. F. Standley.

## September 13, 1913:

Thomas McLaughlin.  
R. D. Bishard.  
C. B. Fisher.  
J. B. Manzanares.  
James McClain.  
Marian E. Bainbridge.  
Ernest Head.  
Ed. Quine.  
Frank Myers.  
Jesse C. Russell.  
Pablo Sandoval.  
Charles H. Weiden.  
William Hague.

## September 14, 1913:

Lewis Hufty.  
J. M. Kelley.  
Joe York.  
J. N. Aragon.  
Meliton Vigil.

## September 16, 1913:

Robert Nelson.  
Charles Burleson.  
Daniel Guerrero.  
Jesus Escobedo.  
Luz Hurtado.  
M. R. Jones.  
Joe Atencio.  
Roman Pando.  
Candido Pena.  
Lucas Lopez.  
Francisco Gonzalez.  
Samuel Martinez.  
Julian Trujillo.  
Sirillo Medina.  
E. G. Miller.  
Julian Sanchez.  
Jose S. Sanchez.  
John Campbell.  
T. B. Kiplin.  
Albert Gonzales.  
Teodoro Rivera.  
Cosme Cardenas.  
Charles H. Bergh.  
Pedro Martinez.  
J. L. L. Morris.

## September 18, 1913:

Luther Bingham.  
Donnan Galves.  
Candido Cordova.  
J. E. Marker.  
Crescencio Trujillo.  
Felix Arellano.  
Juan I. Espinoza.

## September 18, 1913—Continued.

J. B. Cruz.  
F. Ivers, jr.  
Abran Vigil.  
Seferino Padillo.  
Teodoro Dominguez.  
Tibe Bineda.  
Tisro Valdez.  
Cruz Pineda.  
Mine Apadeca.  
Jose D. Pineda.  
Rufino Vigil.  
Juan Laure.  
Soloman Vigil.  
Dario Galvois.

## September 19, 1913:

Jose Guerrero.  
E. H. Meyer.  
Vick Amedea.  
Rudolph Gonzalez.  
Juan M. Partuc.  
D. P. Bickett.  
Amador Vigil.  
Meliton Romero.  
E. L. Norris.  
Patrick Sapada.  
William Welch.  
Robert Jardine.  
Grabial Archuleta.  
Cornello Apadada.  
Felix Vigil.  
P. S. Young.  
W. H. Smith.  
Sacrias Trujillo.  
D. Padillo.  
Conrad Unfug.  
Clem Behymer.  
C. M. Park.  
W. K. Boyd.  
John D. Jones.  
William L. Morgan.

## September 20, 1913:

James Mathews.  
J. A. Herrera.  
J. J. Valdez.  
Juan Cisneros.  
Rumaldo Trujillo.  
Teodoro Brizal.  
Bonifacio Lopez.  
Leandro Gonzelaz.  
Antonio Barros.  
Tony Mauro.  
W. F. Murray.  
Jose Escobeda.  
William Real.  
Angelo Baresi.  
Isias Bustos.  
Patrick Quintana.  
W. O. Vickery.  
P. D. Hull.  
B. G. Sieffried.  
Scott Fowler.

## PATTERSON EXHIBIT NO. 2—Continued.

*List of deputy sheriffs commissioned by Jefferson B. Farr, sheriff of Huerfano County, Colo., from January, 1913, to May 20, 1914—Continued.*

## September 20, 1913—Continued.

P. J. McGinness.  
E. E. Case.  
G. M. Heneyman.  
Charles Stout.  
Everisto Aguirre.  
C. O. Matthews.  
P. J. Martinez.  
J. G. Martinez.  
Ramon Valdez.  
Jose S. Aragon.  
Alfonso Atencio.  
Tomas Rodrigues.  
Abel Gallegos.  
Moyses Martinez.  
Felipe Archuleta.  
J. M. Espinosa.  
Louranio Martinez.

## September 22, 1913:

Juan Trujillo.  
J. F. Valdez.  
A. G. Duncan.  
W. H. Clash.  
William Jolly.  
Sam Combs.  
Alfido Aragon.  
Oliver Duval.  
Loreto Rodrigues.  
C. H. Giddings.  
Manuel Pino.  
Epimenio Vigil.  
Aniceto Archuleta.  
Pedro Gomez.  
Madenonio Padia.  
Juan Gonzalez.  
Epifanio Vallejos.  
H. F. Bryan.  
Manuel Martinez.  
Paul Saunders.  
Felix Cardenas.  
Manuel Maes.  
Sam Lutz.  
Albert King.  
H. P. Homes.  
Marced Vigil.  
A. D. Basset.  
Jose S. Martinez.  
Nathen Patterson.  
Charles Mitchell.  
Walter Harris.  
Esperidon Lucero.  
Teodoro Pacheco.  
P. G. Elder.  
P. C. Chelney.  
Louis D. Miller.  
Alford Cocetti.  
Pat Quintana.  
Averisto Aguerre.

## September 23, 1913:

Francisco A. Gomez.  
E. L. Trounstine.  
Harry Graves.  
William J. McCain.

## September 23, 1913—Continued.

Robert Banks.  
David Aitken.  
William T. Springer.  
Jose Trujillo.  
L. M. Willis.

## September 25, 1913:

John McDowell.  
Telesforo Lucero.  
James McDowell.  
Frailan Vigil.  
Carlos De Herrera.  
Daniel Oritibis.  
D. A. Stout.  
W. G. Dick.  
James Baker.  
Frank Williams.  
R. F. Poll.  
W. W. Samples.  
Ben Smith.  
Pablo Hurtado.  
Juan Archuleta.  
Perfilio Vigil.  
Pedro Manzaneraz.  
Ciricio Bravo.  
Albino Baca.  
James Kirkpatrick.  
R. E. Striplan.  
Lino Martinez.  
Lioe Brunet.  
Leon Poll.  
James D. McGowan.  
Emello Maes.  
Tom Stone.  
Juan B. Atencio.  
Leofredo Ladell.

## September 26, 1913:

Epifanio Castro.  
Juan Mastes.  
Vance Everts.  
Albert Griesbach.  
Dr. A. R. Scott.  
Candido Pina.

## September 27, 1913:

Dom Jario.  
C. W. Moore.  
Ignacio Pacheco.  
Bacilio Martinez.  
B. Galassini.  
Juan Babian, jr.

## September 29, 1913:

Manuel Garcia.  
Emello Garcia.  
Sebero Pacheco.  
Miguel Bravo.  
Juan B. Martinez.  
D. T. Revera.  
J. M. Lammie.  
Charles Prator.  
S. J. Lammie.  
Alez Young.  
Eluterio Martinez.  
A. G. Griesbach.

**PATTERSON EXHIBIT NO. 2—Continued.**

*List of deputy sheriffs commissioned by Jefferson B. Farr, sheriff of Huerfano County, Colo., from January, 1913, to May 20, 1914—Continued.*

September 30, 1913:

Charles Beauchat.  
Charles Beauchat, jr.  
James W. Rhodes.  
J. H. Wilson.  
Jake Tessari.  
John Haddow.  
Richard Hooper.  
P. C. Steele.  
F. H. West.  
O. J. Barker.  
F. L. Jackson.  
John Roberts.  
H. J. Scott.  
Bert Keith.  
W. F. Badger.  
Esperidion Pino.

October 1, 1913:

J. B. Farr.  
W. A. Porter.  
W. H. Green.  
Joe Flein.  
Juan G. Cisneros.  
Richard Rule.  
Thomas P. Coats.  
Ramon Olguin.  
O. Romero.  
Jose Galves.  
A. L. Padilla.  
J. B. Cruz.  
Frank Stone.

October 3, 1913:

C. R. Tramble.  
Ologio Cordova.  
C. J. Williams.  
James O. Graham.

October 4, 1913:

H. S. Ranton.  
E. H. Shea.  
Jim Arellano.  
Julian Gallegos.

October 6, 1913:

Manuel Garcia.  
J. M. Cooper.  
Juan Chavez.  
Benefacio Manzanares.  
H. M. Peters.  
Eloy Maldonado.  
Antonio Pacheco.  
Rosendo Domingues.

October 7, 1913:

Moses Pacheco.  
William Harmes.  
J. M. Sellers.

October 8, 1913:

Fred Harmes.  
D. M. Steward.  
J. M. Lucero.  
Eutimio Valdez.  
Fred Tolentich.  
Demisindo Vigil.

October 9, 1913:

Abel C. Valdez.  
Lino Maes.  
Geromino Quintana.  
Cornello Quintana.  
Olegario Martinez.  
Porfirio Lucero.  
W. H. Donavan.  
John Beauchat.  
Juan Montoyo.  
Mauro Romero.  
Omer C. Robey.

October 10, 1913:

Brigido Rebell.  
J. M. Ragan.  
A. J. Pierce.  
J. D. Yook.

October 11, 1913:

J. E. Nelson.  
Max Quintana.  
D. C. Russell.  
Joseph Esser.  
Felix Palmetto.

October 13, 1913:

Dan Richards.  
Pedro Trujillo.  
Pablo Maestas.  
Jose I. Barros.  
Martin Miller.  
Jerry Koon.  
Joe Kelly.

Jose Baros.  
Charles Owens.  
A. F. Badger.

October 14, 1913:

Henry Medina.  
J. P. Wells.  
Averisto Aguerre.  
Manuel Gallegos.  
W. F. Oaks.  
Canuto Archuleta.  
L. V. Skinner.  
Geronimo Martinez.

October 15, 1913:

William D. Hoerr.  
E. F. Jackson.  
W. D. Anderson.  
J. M. Cooper.  
Albert B. Smith.  
C. E. Packhard.

October 16, 1913:

F. C. Brown.

October 18, 1913:

Andres Gallegos.  
R. C. Sayer.  
A. B. Ruby.  
C. J. Galyan.  
Noerto Baca.  
Frank Roll.  
Frank Karst.  
J. E. McCauley.

## PATTERSON EXHIBIT NO. 2—Continued.

*List of deputy sheriffs commissioned by Jefferson B. Farr, sheriff of Huerfano County, Colo., from January, 1913, to May 20, 1914—Continued.*

## October 18, 1913—Continued.

C. L. Payne.  
Jose M. Dominguez.

## October 19, 1913:

W. F. Childs.  
John Brookshire.  
E. T. Bumont.  
A. R. Carson.  
John Dowlen.  
J. D. Dean.  
Bud Eddleman.  
J. R. Hanes.  
R. L. McGuffin.  
John Pitts.  
W. B. Sands.  
G. E. Stevens.  
G. W. Stevens.  
Babe Thornton.

## October 20, 1913:

Bill Hawkins.  
Thomas Wilson.  
J. R. Brodie.

## October 21, 1913:

H. C. Wetmore.  
J. W. Morton.  
Juan F. Espinosa.  
E. C. Williams.  
Frank Baykin.  
John Abeyta.  
Elmer Norris.  
John A. Cross.  
Frank Sierra.  
J. E. McCartney.  
Paul Saunders.  
Torovio Trujillo.  
Harry J. Williams.  
Frank Stack.  
R. C. Sayer.  
Felix Paletto.  
Frank Williams.  
F. C. Brown.

## October 24, 1913:

T. W. Harris.  
Florencio Atencio.  
Alegandro Atencio.  
O. T. Curtis.  
M. O. Barnes.  
Jacob M. Tinker.  
Pete Archuleta.  
C. J. Gaigon.  
R. L. Walker.  
J. T. Bindley.  
C. J. Whalken.  
T. C. Richardson.  
R. V. Murray.  
Jim Morgan.  
J. T. Simms.  
R. H. McDowell.  
John S. Talbot.  
G. T. Lockhanson.  
G. P. Puddy.  
G. W. Davidson.  
B. S. Appling.

## October 24, 1913—Continued.

J. S. Browley.  
D. M. Collins.  
W. Vanhoslen.  
J. W. Wagner.  
J. D. Wood.  
W. P. Roberts.  
Charles Negus.  
H. C. Moore.  
Walter Stacy.  
N. V. Wood.  
T. L. Hunt.  
E. S. Cook.  
P. M. Crickenberger.  
T. C. Young.  
J. G. Cartright.  
C. L. Breedlove.  
Ira W. Clark.  
G. M. Whitten.  
W. G. Chase.  
Charles Roberts.  
Charles Smith.  
R. G. Adams.

## October 25, 1913:

Frank Bell.  
Jose Martinez.  
F. J. Ned.  
Morgan Patterson.  
Spencer Lee.  
Noah Stacy.  
F. R. Lenz.  
A. C. Craft.  
D. M. Wright.  
A. M. Chase.  
H. W. Belk, jr.

## October 27, 1913:

C. W. McKean.  
C. R. Trumble.  
John B. Crockett.  
Lawrence B. Crockett.  
Lawrence C. Bruce.  
C. B. Fisher.  
Archie M. Maulden.  
A. J. Pierce.

## October 29, 1913.

Harry Franks.  
Dan Richards, Rev.  
Pedro Cordova.

## November 1, 1913:

Juan Pedro Trujillo.  
Maubricio Trujillo.

## November 3, 1913:

Placido Lujan.

## November 5, 1913:

T. E. Hines.

## November 6, 1913:

Patrick McMullin.

## November 11, 1913:

Pete Maes.

## November 12, 1913:

S. C. Fletcher.  
John O. Gallegos.



## PATTERSON EXHIBIT NO. 2—Continued.

*List of deputy sheriffs commissioned by Jefferson B. Farr, sheriff of Huerfano County, Colo., from January, 1913, to May 20, 1914—Continued.*

November 14, 1913:  
Abe Klawson.  
November 20, 1913:  
Neal McKinley.  
November 24, 1913:  
Antonio L. Valdez.  
December 2, 1913:  
Elles Duran.  
Jacob Vigil.  
Richard Vigil.  
December 18, 1913:  
W. M. Stemm.  
John A. Burns.  
T. J. Peterson.  
December 24, 1913:  
O. Romero.  
A. B. Smith.  
January 3, 1914:  
C. J. Price.  
L. H. Davis.  
February 2, 1914:  
Juan Montoyo.  
February 9, 1914:  
Albert Kitchen.  
March 11, 1914:  
Richard Mansfield.  
March 20, 1914:  
W. L. Cartright.  
J. S. Montez.  
Roy Barr.  
L. H. Davis.  
W. G. Nichols.  
B. H. Lukenhill.  
Charles W. Obley.  
Eugenio Mestas.  
Manuel Mestas.  
March 23, 1914:  
A. W. Klassen.  
Frank Amedie.  
Ed Rose.  
J. N. Chase.  
L. W. Schenker.  
J. Allen.  
March 28, 1914:  
Bob Boykin.  
Chas. E. Steffeld.  
H. W. Burrow.  
Lou Goodwin.  
Charles Smith.  
Frank B. Moore.  
Marinus Jensen.  
John B. Pryor.  
Toller Garrabrant.  
Harry Ward.  
April 1, 1914:  
Loe Lynn.  
Arthur Bruce.

April 1, 1914—Continued.  
W. D. Pointer.  
M. F. Mills.  
April 2, 1914:  
William Johnson.  
April 4, 1914:  
Harry M. Scott.  
April 6, 1914:  
James H. Smith.  
April 8, 1914:  
F. C. Henriksen.  
W. J. Tyson.  
April 14, 1914:  
H. T. Wheeler.  
April 15, 1914:  
A. Willey.  
April 17, 1914:  
A. C. Drake.  
R. R. Smith.  
C. B. Fisher.  
April 20, 1914:  
Burt R. Cantler.  
Gordon Hanlan.  
W. H. Ferguson.  
Edward Hewett.  
Thomas J. Bush.  
Dan Bush.  
Roy McCormack.  
Magnus Hill.  
M. H. Bush.  
Austin Bowerman.  
Max E. Bickel.  
Orin Gilt.  
John Heustis.  
April 21, 1914:  
W. A. Johnson.  
Edward A. Holmstrang.  
Sam Martinez.  
Anastacio Trujillo.  
Julian Atencio.  
April 23, 1914:  
Alonna Vigil.  
April 24, 1914:  
Joe Grantham.  
John T. McCracken.  
E. C. Davis.  
December 25, 1914:  
H. M. Ferguson.  
Jack Reece.  
A. W. Hall.  
May 1, 1914:  
Bill Hawkins.  
May 11, 1914:  
Wallace Devaney.  
R. S. Wiles.  
May 20, 1914:  
Earl V. Tucker.

## FARR EXHIBIT.

*List of deputy sheriffs appointed by Jefferson B. Farr, sheriff of Huerfano County, Colo., from January 10, 1911, to January 10, 1913.*

Abeyta, Felix.	Lapresto, Sam.
Aragon, J. B.	Lewis, George.
Anson, A. H.	Lawler, J. C.
Anderson, Floyd.	Martinez, Epifanio.
Arnold, W. M.	Maura, Frank S.
Albert, John.	Montonaz, Juan.
Atencio, Fernandez.	Mandolini, Jake.
Angester, Joseph.	Madena, Juan A.
Amick, L. H.	Martinez, Tomas A.
Bailey, T. C.	Martinez, Lebrado.
Barker, O. J.	Micheletti.
Bustus, Juan C.	Madena, Carmen.
Beanchi, Joe.	Mataroli, E.
Britton, Thomas.	Martinolich, Marco.
Bishop, A. B.	Moro, Lebrado.
Ball, Joe.	Merrell, W. H.
Bruce, George.	Mathews, James.
Belk, Walt.	Morris, J. L.
Cutter, Al.	Moyer, George.
Castro, Manuel.	Manley, W. W.
Cory, A.	Martine, Tim.
Cordova, Pedro.	Martinez, Silverio.
Cortez, Hilario.	Miller, Louis D.
Capps, Claud.	Mauldin, Arche.
Combs, W. M.	Martinolich, Ed.
Cordova, Candido.	Martin, Martiez.
Duran, Elias.	McGown, George A.
Drumm, A. C.	McBay, George.
Dally, H. H.	McCafferty, W. H.
Espanocia, J. M.	McGowin, L. H.
Farr, D. E.	McCune, E. M.
Farr, M. Y.	McGinn, Hugh.
Felts, A. C.	McDowel, C. R.
Farr, J. D.	Nicols, Ulysis H.
Gomez, Pete.	Ownes, Lewis.
Garcia, Juan.	Olgain, Ramon.
Gilsple, Robert.	Obrian, James D.
Ghirdi, Paul.	Penada, Juan N.
Garbiso, Dorio.	Price J. L.
Guerris, Jose.	Phipps, Millson.
Glesler, Eugene.	Patterson, Nath.
Gardner, John.	Partua, Juan.
Gomez, Pedro.	Parker, G. B.
Greesbach, Albert.	Pritchard, G. K.
Hill, Joe.	Pecheco, Antonio.
Hegg, Edward.	Potts, Omer.
Herrin, Alex.	Roosk, Pink.
Haley, C. G.	Reynolds, Joe.
Hutton, W. M.	Runnolds, W. W.
Hull, Pete.	Richards Daniel.
Jones, D. W.	Shirts, A. C.
Jullemi, G.	Schwitzer, Eugene.
Johnson, William, jr.	Stone, B. G.
Krier, Ed.	Strauss, John.
Kerby, Jasper.	Salas, Juan.
Kimsey, Joseph.	Stauss, J. L.
Kaiser, C. A.	Santi, Cesor.
Lewis, Frank.	Stout, R. B.
Linzini, Joe.	Stanley, Robert.
Ladell, Frank.	Sanderson, Harold H.
Lorett, J. G.	Sanchez, Joe.
Lucero, Jesus.	Steele, P. T.

## FARR EXHIBIT—Continued.

*List of deputy sheriffs appointed by Jefferson B. Farr, sheriff of Huerfano County, Colo., from January 10, 1911, to January 10, 1913—Continued.*

Scrogan, Robert.  
Stigler, George.  
Stevens, James.  
Sandoval, Joe.  
Scott, D. C.  
Scott, A. R.  
Taylor, James B.  
Taylor, Burt.  
Vigil, J. B. D.  
Vigil, Milton.  
Valdez, Antonio.

Valentine, John.  
Valdez, Dan.  
Valdez, Alfonso.  
Vigil, Casmero.  
Wright, J. J.  
Westenburge, Joe.  
Williams, C. J.  
Westwater, Pete.  
Wilkins, Joe.  
Zadra, Amadra.

*List of deputy sheriffs of Las Animas County, Colo., on and including the days of January 1, 1913, and September 1, 1913.*

Mike Nigro.  
J. C. Reschke.  
G. B. McCarthy.  
Salvatore Spicola.  
J. B. Romero.  
A. C. Felts.  
A. W. Brown.  
W. H. Reno.  
Elmer Quick.  
Oscal Vanderbur.  
Frank Trujillo.  
Jim Peretto.  
Archie Floyd.  
Andrew McDonald.  
R. J. Baldock.  
J. A. Richardson.  
Pedro Lucero.  
W. A. Tribble.  
Charles C. Powell.  
C. E. Whitescarver.  
W. C. Hunn.  
Domenico Pifalo.  
E. L. McCartney.  
George Tittsworth.  
Hugo Pfalmer.  
M. Massingale.  
Henry Hale.  
J. F. Maloney.  
W. T. Thatcher.  
Delfino Rivali.  
G. S. Van Pelt.  
Guy Howe.  
Walter Belk.  
Atanacio Gonzales.  
W. S. Lee.  
G. R. Ford.  
John Workman.  
John M. Macquarrie.  
Earl Tucker.  
Charles St. Vrain.  
Mariano Lopez.  
W. E. Brown.  
W. H. Reynolds.  
Zeke Martin (undersheriff).  
J. F. Davis.  
Bernard Jeune.  
H. V. Rose.  
Robert Nichols.

Tom Hart.  
Abel Lopez.  
T. C. Apodaca.  
H. H. Sanderson.  
Frank Reno.  
Pete Lacomano.  
Frank Sanchez.  
George Green.  
Edward Cookingham.  
Walter Howe.  
J. Vicente Vigil.  
W. E. Riggs.  
W. F. Growe.  
G. H. Crane.  
Guye Payne.  
W. S. McCash.  
Julian Medina.  
J. H. Shaw.  
J. T. Munroe.  
Mariano Carrillo.  
J. H. Wilson.  
Cesari Pilati.  
J. C. Baldwin.  
Mark Dauford.  
Milo Kalabick.  
A. V. Berg.  
George Kanugres.  
Rafael Sena.  
J. M. York.  
Ambrose Lunney.  
Jesus Mestas.  
Peter Kos.  
J. A. Owenby.  
E. J. Foreman.  
S. J. Abeyta.  
L. M. Trujillo.  
J. J. Sullivan.  
C. A. Robinson.  
Samuel Romero.  
Earl Toller.  
G. W. Belcher.  
J. L. Reed.  
A. C. Larsen.  
W. W. Runnells.  
T. F. Douglas.  
J. H. Roberts.  
G. E. Hunt.  
Harry Chew.

## FARR EXHIBIT—Continued.

*List of deputy sheriffs appointed by Jefferson B. Farr, sheriff of Huerfano County, Colo., from September 1, 1913, to October 15, 1913.*

Arllano, Jim.  
Archuleta, Conuta.  
Agueres, Averesto.  
Anderson, W. D.  
Buchat, John.  
Badger, A. F.  
Baros, Jose.  
Cootes, Thomas P.  
Cisneras, Juan G.  
Cooper, J. M.  
Cordova, Alogio.  
Chavez, Juan.  
Donavan, W. H.  
Domínguez, Rosendo.  
Essar, Joseph.  
Fleim, Joe.  
Green, William H.  
Galvez, Joe.  
Graham, James O.  
Gallejos, Julian.  
Garcia, Manuel.  
Gallejos, Manuel.  
Gallejos, Andreas.  
Harmes, William.  
Harmes, Fred.  
Hoerr, William D.  
Koon, Jerry.  
Kelley, Joe.  
Lucero, Jesus.  
Lucero, Perferio.  
Mills, M. F.  
Mestos, Pablo.  
Miller, Martin.  
Martínez, Geronimo.  
Norris, E. L.

Nelson, J. E.  
Olgaín, Ramon.  
Owens, Charles.  
Paster, W. A.  
Padilla, A. L.  
Pacheco, Antoin.  
Peters, H. M.  
Pecheca, Moses.  
Palmetto, Felix.  
Packerd, C. E.  
Quintana, Cornelio.  
Quintana, Geronimo.  
Quintana, Max.  
Rule, Richard.  
Romero, O. Renton.  
Renton, H. S.  
Ruby, O. C.  
Romero, Mauro.  
Ribale, Brigido.  
Ryan, J. M.  
Russell, J. C.  
Sellers, J. M.  
Stewart, D. M.  
Skinner, V. L.  
Stork, Frank.  
Smith, Albert.  
Tolmich, Frank.  
Trujillo, Juan.  
Trujillo, Pedro.  
Valdez, Elemio.  
Williams, C. J.  
Wells, J. P.  
Williams, Harry J.  
Williams, E. D.  
Young, T. C.

*List of deputy sheriffs of Las Animas County, Colo., on and including the days of September 1, 1913, and October 15, 1913.*

Roy Bisch.  
H. L. Deweese.  
R. J. Snowder.  
J. D. Terry.  
Felix Mares.  
David Wilkins.  
Manuel Kahn.  
Meliton Barela.  
C. B. Vandervien.  
H. E. Bowden.  
R. W. Morgan.  
Henry E. Yonkman.  
L. J. Hearn.  
C. W. Quick.  
J. M. Canterbury.  
L. M. Canterbury.  
A. W. Dennison.  
S. Pells.  
H. M. Beardsley.  
A. R. Wright.  
H. S. Renton.  
Emerijildo Baca.  
Encarnación Sisneros.  
Juan J. Crespin.  
E. Abeyta.

A. L. Dain.  
Joe Cox.  
A. A. Bennett.  
R. I. Bradley.  
Anderson Pruitt.  
Hugh D. King.  
P. W. Vaughn.  
Charles Roberson.  
J. W. Hamilton.  
Joseph R. Courtney.  
W. O. Vickery.  
H. Hearn.  
Scott Flower.  
Joe Kelly.  
B. G. Seigfreid.  
Geo. W. Wilson.  
R. D. Bishard.  
T. B. McLaughlin.  
Joe Mantell.  
Arthus Samples.  
M. L. Thomas.  
John Williams.  
J. N. Wakefield.  
Mike Donly.  
Gus, Whitney.

## FARR EXHIBIT—Continued.

*List of deputy sheriffs of Las Animas County, Colo., on and including the days of September 1, 1913, and October 15, 1913—Continued.*

H. B. Vanvinkle.  
W. J. Watson.  
Ralph Gore.  
R. L. Harrison.  
A. R. Loyd.  
Henry F. Butler.  
B. B. Broyles.  
H. P. Beach.  
J. W. Vibbard.  
W. P. Wooldridge.  
A. H. Mason.  
Will Bryan.  
Harry B. Bostick.  
J. G. Gregory.  
G. W. Ferris.  
Oscar Cox.  
J. H. Holmes.  
Jacovo Aguilar.  
C. E. Hill.  
F. S. Wisdom.  
Teofilo Padilla.  
Arthur Swatzell.  
P. B. Swatzell.  
C. G. Fuller.  
John R. Hughes.  
Ewin Mitchell.  
George Fuller.  
G. H. Tittsworth.  
Norman Raynor.  
R. W. Sullivan.  
Al Welley.  
C. E. Hunter.  
Tip Brewer.  
Grant Garsuch.  
S. Fowden.  
D. R. Lake.  
R. D. Fulton.  
G. H. Lee.  
S. McIntyre.  
C. E. Sheffield.  
James Dalby.  
John Lawrence.  
Alford Matthews.  
L. P. Hereford.  
John K. Wallace.  
E. G. Covell.  
S. E. Grubbs.  
W. T. Gayheart.  
A. L. Gardner.  
Narciso A. Martinez.  
Ed. Williams.  
Elijio Salazar.  
Moses Garcia.  
Andy Hodge.  
Bert Fields.  
E. J. Hartman.  
Theodore Gardner.  
E. J. Zoeller.  
Juan Guitierrez.  
T. B. Brown.  
D. D. Dodge.  
H. H. Bubb.

Lucas Garcia.  
R. Garcia.  
M. J. Gallagher.  
J. J. Martinez.  
B. T. Birmingham.  
J. B. Aragon.  
Ed. Doyle.  
Harry W. Grubb.  
J. L. Buster.  
H. Cooper.  
E. Trujillo.  
Paul F. Foster.  
Felix Garcia.  
M. D. Santistevan.  
Harry Clark.  
A. C. Watson.  
I. M. Vigil.  
H. V. Frampton.  
F. N. Cooke.  
Adolph Chavez.  
Joe Chavez.  
Paul Analla.  
Will Swank.  
George Swank.  
Gabe Sanchez.  
W. B. Cunningham.  
J. W. Bell.  
Monte Butler.  
F. E. Rose.  
William Fox.  
W. M. James.  
G. C. Headley.  
I. D. Nixon.  
E. L. Timmons.  
J. W. Rogers.  
Ed. Weaver.  
T. Fernandez.  
N. Vasquez.  
James McClain.  
G. S. Haoze.  
G. B. Parker.  
James O'Neill.  
Bert Bromlett.  
R. B. Espinosa.  
J. T. Allee.  
L. G. Hoaze.  
Jose Garcia.  
M. Quintana.  
George Johnson.  
Dave Matidore.  
S. Gallegos.  
N. Trujillo.  
Juan Griego.  
W. D. Hoerr.  
G. W. Clark.  
Joe Ramey.  
Jesse Austin.  
W. E. Banks.  
Bert E. Wolfe.  
A. J. Davison.  
Forest Ingram.  
Lawrence Allen.

## FARR EXHIBIT—Continued.

*List of deputy sheriffs of Las Animas County, Colo., on and including the days of September 1, 1913, and October 15, 1913—Continued.*

Bert Taylor.  
 Clarence Taylor.  
 W. A. Clark.  
 J. Stonestreet.  
 George Richards.  
 Howard Beham.  
 J. A. Mullins.  
 W. L. Canterbury.  
 B. L. Downing.  
 William Baker.  
 J. W. George.  
 C. O. Grady.  
 W. E. Warnsley.  
 L. C. Temple.  
 N. O. Barnes.  
 Frank Boykin.  
 C. C. Howard.  
 J. E. Bradford.  
 Ramon Trujillo.  
 Emilio Gallegos.  
 Alvin Salazar.  
 Leandro Valdez.  
 John Huempfer.  
 E. Valentine.  
 Gus Stockman.  
 S. N. Baker.  
 Manuel Griego.  
 F. C. Lofland.  
 James Whitcomb.  
 C. J. Probst.  
 Pedro Romero.  
 Rafael Garcia.  
 C. R. Wilson.  
 Pablo Garcia.  
 Ben M. Trujillo.  
 J. M. Garcia.  
 Jesus Santistevan.  
 Anton Vigil.  
 Elias Moya.  
 Pete Saccomano.  
 R. Chavez.  
 Louis Ganzales.  
 Benito Garcia.  
 Alfred Long.  
 J. H. Wirts.  
 C. A. Balliat.  
 Joe Parson.  
 J. M. Espinosa.  
 Robert McAllister.  
 John Antista.  
 John Barbata.  
 G. W. Sefton.  
 Thomas Cole.  
 Tony Alliso.  
 John Quintana.  
 Diego Espinosa.  
 Earl Cowdery.  
 J. W. Jackson.  
 Frank Vanek.  
 F. M. Purdy.  
 C. K. Bracken.  
 George Bell.

A. J. Hall.  
 W. S. McCrea.  
 J. A. W. Morrow.  
 Joe Lopez.  
 Louis Wideman.  
 B. W. Snodgrass.  
 Jeff Morgan.  
 Will Littlejohn.  
 R. McMullen.  
 John Deskin.  
 W. R. Chown.  
 J. L. Rogan.  
 Charles Willson.  
 Ira B. Gale.  
 J. B. Kinsley.  
 Charles Rydberg.  
 Frank Ruffini.  
 R. A. Griffith.  
 A. Cordova.  
 L. A. Tucker.  
 W. C. Burnett.  
 C. B. Carter.  
 R. Hayes.  
 Julian Arrellano.  
 Miguel Coca.  
 L. J. Cann.  
 Charles Velo.  
 J. Frank Dixon.  
 P. G. Cameron.  
 James Dorsey.  
 Robert Lowe.  
 Ben Martin.  
 W. O. Wise.  
 J. H. McGee.  
 B. S. White.  
 J. W. Upchurch.  
 C. H. Kingsbury.  
 H. C. Richardson.  
 R. E. Proctor.  
 Millard Hale.  
 C. B. Cunningham.  
 W. N. Brown.  
 Jacob M. Tinker.  
 Ward Watson.  
 Matt Waddell.  
 C. E. Tedrick.  
 William Lewis.  
 J. D. Tulsang.  
 E. K. Murphy.  
 Frank Cridge.  
 Nash Martinez.  
 J. E. Boyd.  
 Walton Dieks.  
 W. A. Wilker.  
 Charles L. Fanning.  
 M. R. Cuthbertson.  
 H. Walker.  
 C. W. Kennedy.  
 E. D. Cooke.  
 Jay C. Gale.  
 C. C. Harper.  
 John Deldosso.

## FARR EXHIBIT—Continued.

*List of deputy sheriffs of Las Animas County, Colo., on and including the days of September 1, 1913, and October 15, 1913—Continued.*

Jake Hans.  
W. Robertson.  
L. D. Carley.  
I. K. Lewis.  
A. F. Stanley.  
Joseph Esser.  
Felix Palmetto.  
Antonio Chacon.  
J. H. Ballou.  
William P. Stratton.  
Thaddeus Sowder.  
Claude Lombard.  
John Tittsworth.  
Henry Hart.  
J. Vicente Lucero.  
James M. Williams.  
John Church.  
Bert Thomas.  
H. H. McClung.  
F. T. Austin.  
Charles Martin.  
J. M. Cooper.  
W. C. Harker.  
George Turk.  
W. M. Murphy.

D. V. French.  
David Thompson.  
William Thompson.  
D. D. Rankin.  
Fred Salvatore.  
A. S. Simpson.  
John Snickerson.  
James Wilson.  
James Scott.  
E. C. Fraser.  
W. D. Anderson.  
Joe Montoya.  
J. H. Satterwhite.  
A. H. Bushnell.  
H. M. Parker.  
F. W. Gordon.  
John J. Quadt.  
S. O. Ellis.  
W. H. Westlake.  
C. J. McMillan.  
N. Bever.  
E. Bartle.  
J. T. Smizer.  
Fred Chappelle.

*List of deputy sheriffs appointed by Jefferson B. Farr, sheriff of Huerfano County, Colo., from January 10, 1913, to September 1, 1913.*

Anchester, Joseph.  
Atencio, Fernandez.  
Arnold, W. M.  
Arigon, J. B.  
Abeyta, Felix.  
Albert, John.  
Ashworth.  
Aragon, M.  
Atencio, Joe.  
Arellano, Felix.  
Apadaca, Cornelias.  
Apadaca, Mene.  
Archuleta, Gabriel.  
Amedel, Vick.  
Agueres, Averesta.  
Atencio, Alfonso.  
Archuleta, Filiepa.  
Aragon, Jose.  
Aragon, Elfeldo.  
Archuleto, Aniceto.  
Aitken, David.  
Archuleto, J. F.  
Archuleto, Juan.  
Atencio, Juan B.  
Briton, Thomas.  
Bell, Joseph.  
Bishop, A. B.  
Bruce, George.  
Beanchi, Joseph.  
Bustes, Juan G.  
Bailey, T. C.  
Belk, Walter.  
Benson, G. R.

Belcher, G. W.  
Beauchl, Joseph.  
Brown, A. W.  
Bishard, R. D.  
Brown, F. C.  
Bainbridge, Marrian E.  
Burlison, Charles.  
Bergh, Charles S.  
Bryan, H. F.  
Bingham, Luther.  
Boyd, W. K.  
Behymer, Clem.  
Bustes, Isaac.  
Berazi, Angelo.  
Baker, James.  
Barros, Antonio.  
Brazal, Tedora.  
Bassett, A. D.  
Beuchat, Charles, jr.  
Banks, Robert.  
Baca, Albino.  
Bravo, Ceriaco.  
Bobian, Juan.  
Beuchat, Charles, sr.  
Barker, O. J.  
Bravo, Miguel.  
Badger, W. F.  
Capps, Claud.  
Cutter, A. C.  
Cocileti, Alfred.  
Collins, Samuel.  
Carlton, H.  
Campbell, John.

## FARR EXHIBIT—Continued.

*List of deputy sheriffs appointed by Jefferson B. Farr, sheriff of Huerfano County, Colo., from January 10, 1913, to September 1, 1913—Continued.*

Cardenas, Cosme.  
 Cruetz, J. B.  
 Cordova, Candado.  
 Case, E. E.  
 Cardinas, Levarnia.  
 Cisinaras, Juan.  
 Chetney, P. C.  
 Cardinas, Felix.  
 Combs, Samuel.  
 Castro, Epifanio.  
 Daley, H. H.  
 Dunford, Samuel.  
 Dewese.  
 Dick, W. C.  
 Domingues, Teodora.  
 Duval, Oliver.  
 Duran, A. G.  
 Escabado, Jesus.  
 Espenoza, J. I.  
 Espenoza, J. M.  
 Elder, P. G.  
 Everts, Vance.  
 Farr, J. D.  
 Farr, M. Y.  
 Farr, D. E.  
 Felts, A. C.  
 Farr, Thomas S.  
 Fisher, C. B.  
 Flinn, J.  
 Scott, Flower.  
 George, Samuel.  
 Garcia, Juan R.  
 Gardner, John.  
 Greesbaugh, Albert.  
 Goemer, Charles.  
 Gibson, Melvin H.  
 Grove, William F.  
 Gallejos, Castlo.  
 Graves, H. M.  
 Guerra, Daniel.  
 Gonzales, Francisco.  
 Gonzelas, Albert.  
 Galvez, Domlon.  
 Garbiso, Darlo.  
 Gonzilas, Rudolph.  
 Gonzales, Leandro.  
 Galegos, Able.  
 Gonzales, Juan.  
 Gomez, Peter.  
 Gittings, C. H.  
 Graves, Harry.  
 Gomez, Francisco.  
 Galasini, B.  
 Garcia, Emello.  
 Garcia, Manuel.  
 Garcia, G.  
 Hill, Joe.  
 Hunt, George E.  
 Stanley, A. F.  
 Head, Earnest.  
 Hague, William.  
 Honeyman, Geo. M.

Hufte, Lewis.  
 Hurtado, Luz.  
 Hull, P. D.  
 Herrera, J. A.  
 Harras, Walter.  
 Holmes, H. P.  
 Herrera, Carlos de.  
 Hurtado, Pablo.  
 Haddon, John.  
 Hale, James.  
 Hopper, Richard.  
 Ives, F.  
 Jullini, G.  
 Jones, M. R.  
 Jardini, Robert.  
 Jolly, William.  
 Joris, Dominick.  
 Jackson, E. L.  
 Kaiser, C. A.  
 Kaster, Rube.  
 Krier, Ed.  
 Kapusian, Larence.  
 Klawson, Abe.  
 Kelley, J. M.  
 Kiplen, F. B.  
 Kling, Albert.  
 Keeth, Bert.  
 Kirkpatrick, James.  
 Lawler, J. C.  
 Lynch, Frank.  
 Ladell, Frank.  
 Lucero, Telefora.  
 Lopez, Lucas.  
 Laure, Juan.  
 Lopez, Bonaficio.  
 Lucero, Esperedon.  
 Lutez, Sam.  
 Launme, S. J.  
 Martinez, Ansincio.  
 Martinolich, Marcus.  
 Mauldin, Arche.  
 Martinez, Silverio.  
 Moyer, George.  
 Moro, Lebrado.  
 Mataroli, E.  
 Martinez, Lebrado.  
 Martinez, Thomas A.  
 Madina, Jake.  
 Madina, Juan A.  
 Maura, Frank S.  
 Martinez, Epifanio.  
 Madina, Carmen.  
 Maes, Joe.  
 Manzanaras, J. P.  
 Myers, Frank.  
 Morris, J. L. L.  
 Medina, Henry.  
 Mandina, Serelio.  
 Miller, E. C.  
 Martinez, Samuel.  
 Martinez, Pedro.  
 Marker, J. E.



## FARR EXHIBIT—Continued.

*List of deputy sheriffs appointed by Jefferson B. Farr, sheriff of Huerfano County, Colo., from January 10, 1913, to September 1, 1913—Continued.*

Myers, J. H.	Peno, Manuel.
Mathews, C. O.	Padilla, Macedonia.
Murry, W. F.	Pate, R. F.
Maura, Tony.	Poll, Leon.
Mathews, James.	Pecheco, Ignacio.
Martinez, P. J.	Pierce, A. J.
Martinez, J. G.	Pecheco, Sibero.
Martinez, Moyses.	Pecheco, Sebro.
Martinez, Antonio, jr.	Pino, Esperedon.
Mitchell, Chas.	Prator, Charles.
Martinez, Jose A.	Quinne, Ed.
Martinez, Manuel.	Quintana, Pat.
Maes, Manuel.	Richards, Dan.
Miller, Louis L.	Runnols, W. W.
Manzanaras, Pedro.	Read, Phil.
Martinez, Leno.	Revera, Teodora.
Maes, Emilio.	Romero, Milton.
Mestas, Juan.	Rodragus, Thomas.
Moore, C. W.	Real, William.
Martinez, Bacillo.	Rodregues, Loreta.
Martinez, Juan B.	Roberts, John.
Martinez, Elnterio.	Rycea, D. T.
Maldonado, Eloy.	Samples, W. W.
Manzanaras, Bonifacio.	Striplen, R. E.
Martinez, Olegario.	Scott, H. J.
Montoya, Juan.	Shea, E. H.
McCafferty.	Stanley, A. F.
McBay, George.	Steele, P. C.
McGowin, George A.	Trujillo, Jose.
McClain, James.	Trujillo, Julian.
McGowin, L. H.	Trujillo, Cresencio.
McLaughlin, Thomas.	Trujillo, Saciris.
McDowell, John.	Trujillo, Romaldo.
McDowell, James.	Trounstine, E. L.
McGinnis, Phillip J.	Trujillo, Juan.
McGowin, James D.	Trujillo, Jose.
McClain, William.	Tessre, Jake.
Nelson, Bob.	Trumble, C. R.
Ownes, Lewis.	Valdez, Alfonso.
Oskinson, W. M.	Valdez, Antonio D.
Ortlbes, Daniel.	Vigil, Dieldero.
Oakes, W. F.	Valdez, Samuel.
Patterson, Nathan, jr.	Vigil, T. Q.
Price, J. L.	Valdez, Manuel.
Penado, Juan.	Vallejos, Louis C.
Potts, Omer.	Vigil, Milton.
Potter, J. L.	Vigil, Rufino.
Pecheco, Antonio.	Valdez, Terco.
Patterson, Isaac.	Vigil, Abron.
Patterson, Josh.	Vigil, Solemon.
Pando, Ramn.	Vigil, Felix.
Peno, Candado.	Vigil, Amador.
Peneda, Joe D.	Vichery, W. O.
Peneda, Tivo.	Valdez, Ramon.
Padilla, Safreno.	Valdez, J. J.
Penedo, Cruz.	Vigil, Maecia.
Pickett, D. P.	Vallejos, Epifanio.
Park, C. M.	Vigil, Epimenlo.
Partue, Juan M.	Valdez, J. F.
Padillo, Deloras.	Vigil, Fradon.
Patterson, Nathan, sr.	Vigil, Perfillo.
Pacheco, Tedora.	Valdez, Alfredo.

## FARR EXHIBIT—Continued.

*List of deputy sheriffs appointed by Jefferson B. Farr, sheriff of Huerfano County, Colo., from January 10, 1913, to September 1, 1913—Continued.*

Wright, J. J.  
Watson, Joe.  
Werden, Charles.  
Wilson, J. H.  
Welch, William.  
Willis, L. M.

Williams, Frank.  
West, F. H.  
York, Joe.  
Young, P. S.  
Young, Alex.  
Zook, I. D.

## VAN CISE EXHIBIT NO. 1.

[Report of military commission referred to by Capt. Van Cise at the close of his testimony.]

DENVER, COLO., May 2, 1914.

To GEN. JOHN CHASE, *Brigadier General,*  
*Commanding the Military District of Colorado:*

April 25, 1914, you appointed the undersigned, Edward J. Boughton, major and judge advocate of the military district; W. C. Danks, captain, First Infantry; and Philip S. Van Cise, captain, First Infantry, a board of officers to inquire into the causes of the battle of Ludlow, Monday, April 20, 1914; to ascertain what happened during or as a result of that battle, with special reference to the death of women and children, the killing of Martin, Tikas, Fyler, and others; the burning of the tent colony and the claim that the tents were looted; to fix the responsibility for the battle and its results, and to report fully and impartially our findings and recommendations to the commanding general.

We have examined under oath all officers and prisoners, as many as possible of the soldiers, deputies, mine guards, and townspeople of Ludlow and near-by coal camps. We have made every possible effort to obtain the testimony of such strikers and tent colonists as were not within our reach, but without success. The strike leader, William Diamond, at Trinidad, after promising to produce before us at our request those among his people who claim to have witnessed any of the incidents of the day, omitted to do so.

A personal request made upon Mr. Lawson and Mr. McLennan, strike leaders, in Denver, was answered in their presence by Hawkins, their attorney. In this way they declined to give us any information, upon the ground that our inquiry was not publicly conducted.

As a result of our investigation we submit the following findings, report, and recommendations:

1. We find that the remote cause of this, as of all other battles, lies with the coal operators, who established in an American industrial community a numerous class of ignorant, lawless, and savage south-European peasants. The present underlying cause was the presence near Ludlow, in daily contact one with another, of three discordant elements—strikers, soldiers, and mine guards—all armed and fostering an increasing deadly hatred which sooner or later was bound to find some such expression. The immediate cause of the battle was an attack upon the soldiers by the Greek inhabitants of the tent colony, who misinterpreted a movement of troops on a neighboring hill.

2. These Greeks and the more violent element of the strikers had prepared for such an event by bringing back into the colony the arms secreted to escape the searches of the guardsmen. This was done in the latter part of March. They also secured a large amount of ammunition, and awaited a favorable moment for an engagement in which they hoped to catch the soldiers unprepared, and thus wipe out the defense of Hastings and Berwind Canyon. Their plans miscarried and the battle precipitated suddenly on Monday morning was unexpected by all.

3. A military detail went to the colony to demand of Louis Tikas, the colony leader, the release of a man said to be detained by the strikers. The man was not delivered. Hot words passed between the soldiers and strikers. When the detail left, the Greeks, over the protest of their leader, ran for their guns and threatened to fight.

Maj. Hamrock brought the detachment from Cedar Hill down to Water Tank Hill, in plain view of the colony, preparatory to searching the colony for its alleged prisoner. Some excitable women, seeing these troops on the hill and nervous over the actions of the Greeks, rushed into the colony, screaming that the soldiers were about to attack.

Thereupon the Greeks filed out of the colony to a railroad cut, and soon afterwards fired the first shots of the battle against the soldiers.

This is obvious from the fact that no bodies were found between the colony and the cut. As the Greeks were in open country, the machine gun, if fired, would have mowed them down.

4. The Greeks, always warlike and obstreperous, had no women or children in the colony. They at least had not provided themselves with arms and ammunition for the defense of their homes and families. They had their guns in hand with the intention of starting trouble when the soldiers appeared on the hill.

5. The women and children of other nationalities rushed to the protection of an arroyo in the rear of the colony. Some took shelter in pits prepared for such use under the tents. The presence of these pits and the women and children in them was unknown to the soldiers. Many men in the colony seized their guns and took up a position in this arroyo and on the railroad bridge that crossed it.

6. Pvt. Albert Martin, while dying or after death, was horribly mutilated by the strikers. We find this practice to be customary with these people in battle.

7. The fire in the tent colony was accidental; that is to say, it was due either to an overturned stove, an explosion of some sort, or the concentrated fire directed at one time against some of the tents.

The fire began in the corner nearest the crossroads. Afterwards it was deliberately spread by the combatants. During the fire the soldiers, upon learning that women and children were still in the colony, went through the tents, calling upon all persons in the colony to come forth, and with difficulty rescuing men, women, and children to the number of some 25 or 30, including one William Snyder and his family. Then the tents were fired.

8. The troops engaged in the beginning were the regularly enlisted and uniformed members of Company B, Second Infantry, armed with Springfield United States Army rifles, shooting on the cupro-nickel bullet as manufactured for the Army. They had one machine gun. Later in the day they were reinforced by a second machine gun. There were also the ununiformed members of Troop A, mine guards and deputy sheriffs; all of them were using a miscellaneous assortment of arms and ammunition.

9. During the evening Louis Tikas, James Fyler, and an unknown striker were taken prisoners. Lieut. K. E. Linderfelt swung his Springfield rifle, breaking the stock over the head of the prisoner Tikas.

A group of between 50 and 75, composed of soldiers, the ununiformed men of Troop A, mine guards, and deputy sheriffs, were present with these prisoners. An attempt to hang Tikas went so far that a rope was procured and thrown over a telegraph pole. This lynching was prevented by Lieut. Linderfelt, who turned Tikas over to a noncommissioned officer, whom he directed to be responsible for his life, and then departed.

Shortly afterwards all three prisoners were killed by gunshot wounds. The crowd and prisoners were about 50 yards from the corner of the tent colony, and these men were shot while running toward the tent. The evidence is conflicting whether they were made to run or tried to escape. Tikas, after running a few feet, fell, shot three times in the back. The only bullet found in his body was of a kind not used by the soldiers, although the two other wounds might have been made by the Springfield bullets of the ununiformed men. Fyler fell after running some distance beyond, having reached the colony. The evidence is also conflicting whether at the time these men were killed shots were being interchanged between the soldiers and their allies with the tent colony, but Fyler was shot in the front while running toward the tents.

10. Eleven children and two women were smothered to death in a small pit under one of the tents. None of them was hit by a bullet. This pit was not large enough to support the life of such a number for many hours. The construction of the pit made it a veritable death trap, and its inmates probably died from suffocation before the tents were burned. When found there were no signs that the women and children had crowded into the en-

trance of the pit, as would have been the case had they attempted to rush out when the tent above caught fire.

11. We find that the colony was looted by participants and spectators in the battle. About 15,000 rounds of ammunition were taken from the tent marked "Headquarters of John Lawson."

12. All women and children have been accounted for. Every possible pit or cellar has been examined, and no bodies remained in the colony.

13. Only one person was killed or wounded in the colony itself by gunshot. Frank Snyder, a 12-year-old boy, was shot in the head. His father stated that evening that this boy had gone outside the tent and was shot in the forehead while facing the arroyo from which the strikers' fire came.

14. The colony was not swept with the machine guns. This is proved by the fact that the chicken houses, outhouses, tent frames, and posts still standing in the colony exhibit no bullet holes. While the buildings and fences along the railroad track are riddled with bullet holes made by machine guns trained on the steel bridge and pump house.

15. The soldiers were lawfully and dutifully bearing arms. It was lawful for them to possess the machine gun and to bring it up the hill. The strikers, on the other hand, were acting unlawfully in securing and using their arms and ammunition. No attack upon the colony had ever been made or intended by the soldiers, and the explanation that arms and ammunition were kept in the colony for defense is untenable.

16. We find that in apparent anticipation of a preparation for the battle at Ludlow, rifle pits were prepared by the strikers on the south side of their colony along the county road and close to the tents and along the west side of the colony.

These rifle pits show conclusively the careful and deliberate preparation of the strikers for battle, and their location along the front and side of the colony nearest to the military camp was such that when used they could not be defended against without firing into the colony. Such care had the strikers themselves for their women and children that these pits were located where any return of the fire from them would be drawn directly into the colony itself.

We make the following recommendations:

A. Feeling that this board of officers was not constituted to determine possible guilt or innocence, we recommend that a general court-martial be appointed to try all officers and enlisted men participating in the treatment and killing of prisoners and the burning and looting of the tent colony.

B. We recommend that the general and governor urge upon the legislature the establishment of a permanent State constabulary for police duty in disturbed regions of the State, whereby the young men of our volunteer National Guard may be relieved from engaging in riot duty with a people numbering among them ferocious foreigners whose savagery in fight we found exemplified in the killing of Maj. Lester while under red cross protection, and the maiming and mutilation of Privates Martin, Hockersmith, and Chavez.

C. We strongly recommend the general and governor to urge the State and Federal Governments to proceed at once to the apprehension and punishment of all persons engaged as instigators or participants in the treasons, murders, arsons, and other acts of outlawry in this State since the battle of Ludlow.

To a proper understanding of the late deplorable happenings around Ludlow, some preliminary considerations are necessary. It is impossible to estimate those events justly without some general knowledge of the country, the inhabitants of the tent colony and personnel of their neighbors in the military camp and adjacent villages.

A crude conception of general directions in the Ludlow vicinity may be had by imagining a gigantic capital K. The vertical line of such letter would represent the Colorado & Southern Railroad running north and south. At the upper or southern end of this line is what has been called, for want of other name, Water Tank Hill, a low, gently sloping mesa commanding the territory to the south, east, and north. At the lower or northern end of the line is a steel railroad bridge crossing a deep arroyo which runs through the whole country in a general east and west direction.

The arms of the K, except that, to be accurate, the lower one should be horizontal, represent roads which at the extremities of the arms enter the two canyons of Delagua and Berwind. Up these canyons lie the largest and richest coal mines of the State, and about the mines are clustered the workmen's villages of Delagua, Hastings, Berwind, Tabasco, Tollerburg, and others. It will thus be seen that the point at which the two arms converge and meet the

shaft of the letter, that is to say, the point where these two roads unite and cross the railroad, called in that locality the crossroads, is a point that commands the approach to both the canyons, as well as the travel north and south along the railroad.

It was at this commanding point, the crossroads, that the Ludlow tent colony was located. In an angle formed by the arms of the letter, about one-third of a mile from the colony, was the military camp. Since early in November the brown tent of the soldiers and the white tents of the colonists stood thus, facing each other across the railroad. For the protection of the two canyons, military substations were established, one at Hastings in the northern canyon, and one at Cedar Hill in the southern.

The Ludlow tent colony, by far the largest of all such colonies, housed a heterogeneous population of striking miners. The colony numbered hundreds of people, of whom only a few families were Americans. The rest for the most part were Greeks, Montenegrins, Bulgars, Servians, Italians, Mexicans, Tyroleans, Croats, Austrians, Savoyards, and other aliens from the southern countries of Europe. These people had little in common either with the few Americans resident among them or with one another. Each nationality had its own leader, customs, and mode of life.

We are credibly informed that within the colony 22 different tongues were spoken, unintelligible one to another. The percentage of American citizens, even naturalized citizens, was small. It will readily be seen that these people did not possess much means of interchanging information or social ideas. This fact is important as explaining conduct upon their part that otherwise might seem unaccountably strange.

The most forceful portion of the colonist were the Greeks. We do not know that they outnumbered the other nationalities in the colony, but we are positive they dominated it.

The will of the Greeks was the law of the colony. They were the most aggressive element, the fighting men; and they imposed their desires upon the rest. These Greeks segregated themselves in a quarter set apart for them. They were secretive. Such was their position and authority that although many nations had leaders of their own, the Greek leader was the master of the tented city.

By the other colonists the Greeks were regarded as heroes, for many of them, we are told, had seen service in the Balkan wars. The strange thing, and one that we found important, is that there were no Greek women or children in the colony.

Living in the immediate vicinity of the colonist population just described, were three distinct groups of men controlled by distinct feelings toward the strikers. In the first group were the nonunion workmen in the mines of the adjacent canyons. These men were dwelling with their families in the villages about the mines where they were employed. Most of them were recent arrivals, coming in as strike breakers to take the strikers' places in the mines.

#### STRIKE BREAKERS INDUSTRIOUS.

This class is not to be confused, as it has been, with the mine guards. The nonunion workmen were, as a class, men of industry and peace, of practically the same composition as the inhabitants of the tent colony. Their attitude toward the strikers was one of indifference, coupled with a fear of molestation. But they held no animosity; they felt themselves the permanent inhabitants of the villages.

A troop of national guards were enlisted, about the middle of April, among the superintendent and foremen, the clerical force, physicians, storekeepers, mine guards, and other residents of the coal camps. This unit of the National Guard was designated Troop A, but so recently was it recruited that at the time of the Battle of Ludlow, it had not yet selected its officers nor was it supplied with uniforms, arms, or ammunition. (When this company was called to reinforce the uniformed guardsmen at Ludlow, its members appearing in civilian clothes, gave rise, perhaps excusably, to the belief of the strikers that they were armed mine guards—a class much hated by the colonists.)

These mine guards formed another distinct class. They are men whose employment is to guard the properties; they are not permanent residents of the mine communities like the nonunion workmen, but have come with the strike and will depart with it.

The mine guards are usually employed through a detective agency, and the armed guards it furnishes antedates the present trouble and is born of a long series of conflicts in other fields and in other States. During the weeks before the coming of the soldiers last fall, these armed mine guards and the strikers fought many a battle, from all of which it has come to pass that the deadliest hatred exists between the strikers of the tent colonies and the mine guards of the coal camp.

#### MILITIAMEN HAVE BEEN FRIENDLY.

The third class of men in this vicinity consists of the uniformed and armed National Guardsmen, who have been on duty during the campaign. With an exception to be noted presently, this class has no feeling either of hatred or of fear toward the colonists, whose nearest neighbors they were. Throughout the campaign a friendly relationship was maintained between the two groups of tents. Ball games were played between them and athletics were indulged in in common.

We find the attitude of most of the soldiers toward the colonists to have been throughout the campaign one of friendly indifference. We find, however, from the examination of the colonists themselves that this neutral friendliness of the soldiers was not returned, but that a large portion of the strikers harbored a suppressed hostility toward the militia, the intenser for its being suppressed.

The exception referred to is the company of mounted infantry occupying the substation at Cedar Hill in Berwind Canyon. Designated as Company B, it was commanded for the greater part of the campaign by Lieut. E. K. Linderfelt. This officer is an experienced soldier and an inexperienced sociologist. He is the veteran of five wars; but wholly tactless in his treatment of both mine guards and strikers. From the beginning of the campaign, this militia organization and the strikers in the colony were in frequent petty conflicts with one another. They grew to dislike each other and to worry, harass, and annoy one another. Both sides fed the flame of increasing enmity. They provoked each other on every possible occasion. The strikers spread the wires across the roads in the dark to trap the soldiers' horses and thus to maim both man and beast. The soldiers indulged reprisals.

In this way dislike grew into hatred and provocation into threats. From threats by each against the others' lives, the strikers have come to fear and hate this Company B, and Company B has come to partake of the fear of the workmen and the hatred of the mine guards toward the colonists.

Upon the withdrawal of the troops from the field, it was felt necessary to leave one unit at Ludlow between the largest colony of strikers on one side and the richest mines and most populous camps on the other. Company B was selected for that service because, albeit hated by the strikers, it was feared and respected by them. Lieut. Linderfelt, whose life was in peril from the deadly hatred of this large foreign population, was relieved of the command, and sent away upon recruiting service.

Thus it will be seen that the participants in the dreadful battle of April 20, were distributed around a triangle, the strikers in the colony at the cross-roads, the workmen of Troop A and the mine guards at Hastings, in Delagua Canyon, and Company B at Cedar Hill, in the Berwind Canyon.

It should here be explained that after the coming of the soldiers last October, and until their departure a few days before the Battle of Ludlow, there was practically no mine guards in this vicinity, but upon withdrawing the protection of the National Guard from the mines and communities of the strike zone, the mine guards returned to the employment of the mine owners.

We believe that such as incident as the Battle of Ludlow was inevitable under the conditions that we found. Our belief is based upon an analysis of the forces of human passion we discovered to have been at work. These forces we find to have been as follows:

The tent colony population is almost wholly foreign and without conception of our government. A large percentage are unassimilable aliens, to whom liberty means license, and among whom has lately been spread by those to whom they must look for guidance, a dangerous doctrine of property.

Rabid agitators had assured these people that when the soldiers left they were at liberty to take for their own, and by force of arms, the coal mines of their former employers. They have been sitting in their tents for weeks awaiting

the departure of the soldiers and the day when they could seize what they have been told is theirs. When the troops were withdrawn elsewhere, and this one unit left at Ludlow, many of the strikers believed that the men whom they saw in uniform were no longer members of the National Guard, but hired gunmen or mine guards who retained their uniform for want of other clothing. They saw the hated mine guards return. They were told by their leaders, as they have been always, that the mine guards intended to attack their colony. The greed, fears, and most brutal hatred of the violent elements were thus aroused, and they began to prepare for battle. They laid in a store of arms, two or three at a time; they bought quantities of ammunition; they built military earthworks in concealed places; they dug pits beneath their tents in which they designed to put their women and children as a place of safety. They got all things ready. The Greeks in particular, who had deeply resented the searching of the colony and the taking of their arms by the soldiers, swore that their arms should never be taken from them again.

In this movement, as in all others, the Greeks were the leaders. Not all of the colonists by any means were taken in on the general plan. Those who were found timorous or unwilling were told nothing of what was going on. We found that there were many in the colony who now bear a deep resentment against the Greeks, who had no wives or children to protect, for precipitating the battle without giving their fellows opportunity to prepare for it.

While those warlike preparations were going forward, though they were concealed from some in the colony, yet they were shared by others who knew better and who in the last analysis must take their share of the responsibility for the awful results that ensued. We learn that there was found in the tent of John R. Lawson large stores of ammunition in thousand-round boxes awaiting distribution. By all these means the fighting part of the colony had worked themselves into a frenzy. The colony was electrified; a spark only was needed to set off an explosion. The spark fell unwittingly on Monday, the 20th of April.

As is usual with such inevitable conflicts, the battle was unexpectedly precipitated and by a trifling incident. Two facts in this connection stand out very clearly. One is that the conflict was contemplated, prepared against, deliberately planned and intended by some of the strikers, and was feared and expected by the soldiers and inhabitants of the mining villages. The other fact, equally clear, is that neither side expected it to fall at the time nor in the manner that it did.

That the colonists were, and intended to be, the aggressors there can be no doubt in the world. It was evidently with some difficulty that the Greek portion of the colony had been restrained from giving battle now that the main body of State troops was withdrawn.

We find from examination of the colonists themselves that talk of such an attack upon the soldiers, to be followed by a seizure of the mines, expulsion of the nonunion workmen, and vengeance upon the mine guards had been rife in the colony for many days. According to the Greek Church, Easter fell on Sunday, the 19th, and we have it from Greeks and others in the colony that the Greeks, at least, had planned such an attack as part of the festivities of that day.

In the celebration on Sunday, however, the Greeks got pretty drunk, and the matter was postponed until Tuesday. We find that these plans of the Greeks were not known generally throughout the colony, and many there were who were wholly ignorant that the colony gossip of an attack had taken any such definite form. There were two Greeks in the colony who had a brother at work in the near-by Ramey mine near the entrance of Berwind Canyon.

On Sunday, after the plan to deliver the attack on Tuesday had been perfected, these Greeks visited their nonunion brother, told him of the plan, and begged him to leave before Tuesday's work of destruction commenced.

This workman communicated the information thus received to his employers at the mine on Sunday evening, who had intended to warn Maj. Hamrock on Tuesday morning. Before that information was discussed the battle was precipitated on Monday.

It is very certain that the soldiers were not expecting any attack or molestation at the time on the day of the battle. It is true that such an attack was always feared by soldiers and civilians alike. All believed that sooner or later it would come. For weeks before the withdrawal of the troops it had been a settled belief that some day, when the military force should be weakened, the strikers would undertake to wipe out the soldiers and civilian

workmen alike. But on the morning of the Ludlow conflict the idea of battle was furthest from the minds of the few remaining troopers.

Had such an attack been planned by the military, the soldiers would have occupied the commanding positions and delivered it at dawn instead of allowing those places to be occupied by the strikers with such force that it took all day to drive the colonists from them. Instead of any such warlike preparations, we find that on Monday morning at the very time the battle began Maj. Hamrock, in command, had with him in the tents facing the colony but three men, one of whom was a cripple.

The entire force of soldiers in the vicinity numbered 34, of whom 12 occupied the tents in view of the colony and 22 were stationed at Cedar Hill, in the mouth of Berwind Canyon. The rest of Maj. Hamrock's dozen were watering their horses or attending to their routine camp duty at some distance from the tents when the fire commenced.

At the station at Cedar Hill there were present the wives of three of the officers, the wives and children of several of the enlisted men, with civilian visitors and their wives, all of whom had spent Sunday with their relatives. One of the women was shortly to give birth to a baby. With all of these women and children at the entrance to the canyon, and with the certainty that the defeat of the soldiers meant the invasion of their camps and the villages beyond, it is folly to believe that at such a moment the battle was deliberately brought about by the troops.

The other unequivocal fact that we find is that the battle was unexpectedly precipitated on Monday and that its coming was not known at all to the soldiers nor to a greater portion of the tent colony. It had been planned by the Greeks for Sunday. It was planned by them for Tuesday, but the spark that kindled the fires of war fell without warning on Monday morning.

Lieut. Linderfelt, who happened to be visiting his brother at Cedar Hill on Sunday, and whose return to Trinidad with his wife was for some reason delayed until Monday morning, received a letter from some foreign woman, claiming that her husband was being detained against his will in the tent colony. This letter was sent to Maj. Hamrock at the tents near the colony.

A few soldiers were detailed to meet every train to see that the passengers getting on or off were not molested by the colonists. By this train detail Maj. Hamrock sent word to the Greek leader, Louis Tikas, who was also chief man of the colony, calling attention to the letter and demanding the release of the writer's husband. Tikas denied that any such man was in the colony.

The men of the train detail answered that they were sure he was, and that if not delivered they would come back in force and get him.

These men of course had no authority for any such statement, but it was in line with the ill feeling that we have described as existing between these particular men and the colonists.

The train detail reported the answer of Tikas to the major, who then called Tikas over the telephone and asked him to come to the military camp, as he had done a hundred times before, to talk it over. The reply was most unusual. For the first time Tikas flatly refused to come to the major's camp.

Thereupon, the major telephoned to the station at Cedar Hill and told the captain in charge that he might have need of him and his men to search the colony for a man held a prisoner there. The Cedar Hill detachment was ordered to drill on the parade ground at Water Tank Hill.

Referring again to our simile of the capital letter K it will be remembered that the Cedar Hill station is at the extremity of the upper arm of the letter, and Water Tank Hill is at the top of the vertical shaft, the colony and Maj. Hamrock's tents facing each other where the lines join. It should be added that Cedar Hill is invisible from the tents of the colony, being up the canyon a way, but Water Tank Hill is in plain view of the strikers' tents.

A part, not all, of the men from Cedar Hill saddled their horses and proceeded to Water Tank Hill. In the meantime Tikas telephoned to the major that he would meet him at the railroad station, which is about equidistant from the two sets of tents. After this conversation, Maj. Hamrock telephoned again to Cedar Hill and directed the remaining soldiers to join their troops on the parade grounds, and to bring with them the machine gun.

We find that after the train detail left, Tikas was surrounded by his Greeks in the colony and that these Greeks were under the impression that the colony was about to be again searched for arms—a thing which they had vowed they would never again permit. The Greeks were vociferous and insistent upon giving battle to the soldiers at once if they should appear. Tikas



did the best he could to dissuade and quiet them. It was then that he called Maj. Hamrock by telephone. Returning to the group of Greeks, he told them that he must go to the station to see the major, and got them to promise that they would do nothing until his return. Tikas met at the station Maj. Hamrock and the woman who had written the letter and who complained that her husband was being held a prisoner in the colony.

Tikas recognized this woman, and he then stated that he knew her husband, who had been in the colony on Saturday but was no longer there.

During this conversation at the station the first detachment from Cedar Hill arrived on Water Tank Hill, and their officer Lieut. Lawrence, galloped down to the station and reported to Maj. Hamrock. In the meantime the Greeks continued talking together in the colony, awaiting the return of Tikas.

Three women, who had been sent to the store near the station, returned excitedly to the colony, and called the attention of the Greeks to the arrival of the troopers on Water Tank Hill. This was enough to set the smoldering fire aflame. The Greeks, confirmed in their belief and consumed with a suppressed thirst for battle, forgetting their promise to Tikas, seized their rifles and defiled from the colony across the country to the right of the K to a railroad cut on the Colorado & Southeastern tracks, affording excellent cover for delivering a rifle fire onto Water Tank Hill. These Greeks, as nearly as we could discover, were estimated variously in number from 35 to 50 men. Their march across the country was in plain view of all save the major, Tikas, and Lieut. Lawrence—talking in the station.

At the same time there left the colony a much larger number of men of other nationalities, armed with rifles, going northwest to the arroyo crossed by the steel bridge at the foot of the K. This group was never observed by any of the soldiers and their taking position in the arroyo was related to us by civilians.

Lieut. Lawrence, having reported to the major, left to return to his detachment on Water Tank Hill. He had gone but a short way when he galloped back to the station and cried out: "My God, Major, look at those men; we are in for it," pointing toward the Greeks defiling toward the railroad cut. Tikas was the first to answer.

He immediately jumped up, saying "I will stop them," and, pulling out his handkerchief, ran toward the colony, waving to the Greeks to return. A civilian and union sympathizer who met Tikas as he ran, told us that he heard him exclaim: "What damned fools!"

Maj. Hamrock directed Lieut. Lawrence to return to his troop and await developments. After the lieutenant reached Water Tank Hill, and not before, the machine gun and remaining men from Cedar Hill arrived. Maj. Hamrock hurried from the station to his tents and reported the conditions to Gen. Chase in Denver.

While returning to his camp the major observed the women and children of the colony in large numbers running from the colony north of the shelter of the arroyo. This was observed also by the men in the tents, by the major's adjutant, Lieut. Benedict, and by the men on Water Tank Hill. All will tell us that the exodus of women and children was sufficient to account for all that were known to be in the colony.

Lieut. Benedict, observing the colony at this time through his field glasses, plainly saw Tikas leave and hurry toward the Greeks, now nearly arrived at their intended position. Tikas was carrying a rifle in one hand and a field glass in the other. It is evident that on returning to the colony and seeing the futility of preventing the outbreak, Tikas had armed himself and hastened to his compatriots. As yet no shot of any kind had been fired. In expectation of just such an attack, a signal had been devised. Two crude bombs were made of sticks of dynamite, and it was understood that if the colonists attacked suddenly, so that there was not time to telephone the various villages in the canyons, or the wires were cut, these bombs should be exploded as a warning.

After telephoning to Denver the major caused these bombs to be set off, and, so far as we can learn, this was the first explosion of the day. We learned from the colonists that they were thought to be some new kind of ammunition or possibly artillery possessed by the soldiers.

In the meantime, while all this was going on, there were still but three men left in the soldiers' tents with the major, the rest continuing their routine duties at some distance, in apparent ignorance of what was happening.

In the meantime the men on Water Tank Hill were deployed as skirmishers, observing the advance of the Greeks toward their cover. The men almost re-

belled against their officers at this time, demanding to know whether they must allow the Greeks to reach concealment before opening fire. Lieut. Linderfelt ordered that no shots should be fired unless the soldiers were first fired upon.

About the time the Greeks reached the cover of the railroad cut, the fire began. We are unable to state from which point the firing came first, except that it came from the strikers. Upon that point all of the witnesses of all shades of sympathies are wholly agreed. Some of the soldiers insist that the firing was opened from the direction of the steel bridge and arroyo, while others are satisfied that it came from the Greeks in the railroad cut.

From whatever source the firing, the first of it was directed toward the soldiers' tents, but it must very soon have been directed generally against Water Tank Hill and the whole countryside between that point and the Hastings Canyon.

After the first fire started, it was several minutes before the men on Water Tank Hill were directed to return it. The enlisted men in this position we find still resentful against their officers for withholding their fire so long. The position taken by the Greeks in the railroad cut was one that proved very difficult to drive them from.

Thus the battle began, and its history from this time, as we learned it from all sources of eyewitnesses, is a history of the advance of the detachment on Water Tank Hill down the shaft of the capital K, past the colony, to the capture of the steel bridge at the foot, which was not accomplished until after dark.

Shortly after the firing commenced it became very general. On the strikers' side it proceeded from the railroad cut, from the tent colony, and from the arroyo beyond it. It was returned from Water Tank Hill, from a row of steel cars in the vicinity of the soldiers' tents, and from houses and stores along the road between the colony and the northern canyon. Lieut. Lawrence and three men advanced from Water Tank Hill toward the Greek position in the railroad cut with a view to dislodge the men shooting from that cover.

One of these men, Pvt. Martin, was shot through the neck. He called, "Lieutenant, I am hit." As the blood gushed out in spurts, the lieutenant put his thumb into the wound and stopped the flow of blood. A first-aid package was then applied. The strikers' fire proved insupportable and the squad withdrew, helping Martin back with them.

They were compelled to leave Martin under cover and return without him. As they retreated, the strikers followed until under cover. Several attempts were made by the soldiers during the day to recover their wounded comrade, but it was not until the afternoon, when Capt. Carson arrived from Trinidad with reinforcements and a machine gun, that they were able to drive the strikers back and reach the place where Martin lay. Just before dark this was accomplished, and Martin was discovered dead and mutilated. He had been shot through the mouth, powder stains evidencing that the gun was held against his lips. His head had been caved in and his brains had exuded to the ground. His arms had been broken. In such a way does the savage blood lust of this southern European peasantry find expression.

In this connection we found also that without exception where dying or wounded adversaries, whether soldiers or civilians, had fallen into the hands of these barbarians, they were tortured or mutilated. The coroner and other civilian witnesses testified before us as to the condition of the corpses recovered in the many battles in the southern field. Hocker Smith, killed near Aguilar; Dougherty and Chavez, killed near Delagua; and many others, were all tortured or mutilated when dead or dying.

As we prepare this report, Maj. Lester is deliberately slain at Walsenburg, while attending the wounded under the protection of the Red Cross of Geneva—recognized as inviolable by civilized men the world over. It is shocking to think of our Colorado youth defending their State and exposed to practices of savagery unheard of save in the half-believed tales of the Sicilian Camorra.

A recovery of Martin's body, thus mutilated, we find to have had the effect of exciting his comrades to a frenzy, which may account for some things that took place later near the tent colony itself.

Lieut. Lawrence engaged the Greeks in the railroad cut all day long. We find that he never left Water Tank Hill except to advance against the cut. His machine gun was used only in that direction until late in the afternoon.

Capt. Linderfelt and two lieutenants of the same name, with other men on Water Tank Hill, sought all day to advance down the shaft of our capital letter K to the steel bridge and arroyo at the northern end.

In the meantime, Lieut. Benedict and the men at the military camp, reinforced later by Troop A, from Hastings, who came down the northern canyon, were engaging the strikers firing from the arroyo, the tent colony, and beyond.

During the morning the men fighting around the two groups of tents were reinforced by Troop A, the nonunion men from Hastings, and also by the mine guards from both canyons. In the afternoon the men on Water Tank Hill were joined by Capt. Carson and a number of Troop A—men from Trinidad and vicinity, with another machine gun.

Along toward dusk Lieut. K. E. Linderfelt was able to advance as far as the railroad station, about 500 yards from the tent colony. His advance from this point to the colony and beyond to the steel bridge and the arroyo was covered by the two machine guns on Water Tank Hill, which were trained on the colony, and that they were trained down the railroad right of way and not having finally dislodged those who had been firing all day from the cut.

This was the first time the machine guns were turned in the direction of the colony and that they were trained down the railroad right of way and not upon the colony is evident from the most casual inspection. We found the fences, water tanks, pump house, and other objects on the right of way riddled with machine-gun bullet holes, but posts, chicken houses, and other objects that remained standing directly in front of the colony and in the line of fire appeared to be scathless, thus proving beyond any doubt that the colony was never at any time swept by the machine guns.

This does not mean that the machine guns were not fired into the colony, as we shall presently show that they were, but it does show that there was no general and wanton mowing down of the tents as has been imputed. Under the protection of the machine guns' fire Capt. Linderfelt, Capt. Carson, and Lieut. K. E. Linderfelt were from this time able to advance steadily. They were accompanied by a part of the Water Tank Hill detachment, the reinforcements from Trinidad in civilian's clothes, and some mine guards.

Their fire was returned from their front all along the arroyo and from the tent colony itself. The men to the west between the colony and the canyon were about this time likewise able to press closer to the arroyo and the tent colony. As both these forces approached the colony, the heaviest fire seemed to come from the very tents themselves. The fire of all was for the first time drawn directly into the colony.

It was then that Maj. Hamrock tested his range with the machine guns on Water Tank Hill and sent them directly into the first tents of the colony itself; at the same time the strikers' fire drew a return from all combatants into the same tents. It was this concentrated fire upon the nearest tents in the southwest corner of the colony that set them on fire.

It could not be supposed that any women, children, or other noncombatants remained in the colony itself. The women and children had been seen departing early in the morning, and it was impossible to believe that the strikers would draw the fire of their opponents from all sides into the colony if any women and children remained therein.

Shortly after the fire started the detonation of some high explosive, like some giant powder or dynamite, was both heard and seen. From one of the tents a shower of its contents could be seen rising high in the air, emitting a blaze of fire.

As one tent caught after another, several other explosions occurred. During this time some of the men, having nearly reached the tent colony, heard the screams of women and called to men whom they saw firing from between the tents to get their women out.

The only answer were the words, "You go to hell," spoken with a foreign accent and accompanied by a rain of shots. The men in the colony being driven back and the presence of women being thus known, Capt. Carson, Lieut. Linderfelt, and other officers and men made a dash in among the burning tents for the purpose of rescuing the women and children.

At first they took several women from the tents, some of which were on fire and some not, then they discovered some subterranean pits beneath many of the tents and that some of them were stored with human occupants. The rescue work was most difficult as the women refused to accompany the soldiers and even fought against being taken away.

They said afterwards they believed the soldiers would kill them. They had to be dragged to places of safety. When the pits were discovered the difficulty of getting out the women and children was increased.

Capt. Linderfelt took a woman from one tent who could not speak English, but who made him understand that he must return. She went back with him and indicated one of these holes in the ground, from which the lieutenant took two little children just in the nick of time. He stalked from the colony with these children in his arms.

Capt. Carson relates that when he was in an apparently open floored tent he heard the crying or whining of something living beneath. He had to chop away the floor, which was nailed down upon these people, in order to get them out.

These holes were so constructed as to conceal their presence, and the openings to them were usually hidden by the bed or some article of furniture being placed above them. During the whole time that this rescue work was going forward the colony was under fire from the arroyo, so that not only did the officers and men have to contend with the fire and with the reluctance of the deluded people they were rescuing but were taking the greatest chances of destruction by making targets of themselves in the light of the burning tents.

We find that the work of rescuing these women and children, to the number of some 25 or 30, by Lieut. Linderfelt, Capt. Carson, and the squads at their command, was under all circumstances truly heroic and must stand out boldly in contradistinction to the abandonment of the helpless women and children by their own people and the subsequent efforts to kill their rescuers, regardless of the safety of the rescued.

It was supposed by the officers, after a thorough search of the colony, that all of the remaining women and children had been taken out.

The event proved that one of the pits had been missed in the search. In this pit were subsequently discovered 2 women and 11 children, all dead. This chamber of death measured in feet 8 by 6 by 4½. When found it was almost closed. The quantity of air contained in such a space we found could not have supported the life of these occupants for many hours. Their bodies, when found, bore heartrending evidences of their struggles to get out. If these women and children were placed in this pit at any time during the morning, it is our belief that they died of suffocation hours before the tents caught fire.

Among those taken out of the colony by the rescue parties was a man named Snyder and his family. The man carried in his arms the dead body of his little son.

This boy had been shot in the forehead and was indeed the only person shot in the colony. A story was given wide publicity that this lad was ruthlessly shot down by the soldiers while trying to get a drink of water for his dying mother.

Snyder went to the depot with this dead child in his arms and there in the presence of many civilians and officers related how the boy had gone outside to answer a call of nature and had faced toward the arroyo from which the strikers fire was coming when he was accidentally hit in the forehead by the bullet that caused his death.

It was Snyder who told in this conversation how the Greeks had planned this battle for their Easter, the day before. At that time, whatever he may say now, his resentment was bitter against the Greeks in the colony, whom he blamed for everything that had happened.

A collection was taken up among the officers and the soldiers, amounting to some \$18 and given to refugees.

During the rescuing and afterwards, the tent colony was invaded by the soldiers and mine guards for quite a different purpose. By this time the uniformed guardsmen had been joined by large numbers of men in civilian attire, part of whom were from Troop A and part of them mine guards, all unknown to the uniformed soldiers and their officers and all unused and unamenable to discipline.

By this time, the time of the burning of the tents, the nondescript number of men had passed out of their officers' control, had ceased to be an army and had become a mob. Doubtless all were seeing red on both sides of the conflict.

This may account for the insane shooting by the strikers during the rescue of their women and children and it may also account for what happened in the tents.

We find that the tents were not all of them destroyed by accidental fire. Men and soldiers swarmed into the colony and deliberately assisted the conflagration by spreading the fire from tent to tent.

Beyond a doubt, it was seen to, intentionally, that the fire should destroy the whole of the colony. This, too, was accompanied by the usual loot.

Men and soldiers seized and took from the tents whatever appealed to their fancy of the moment. In this way, clothes, bedding, articles of jewelry, bicycles, tools, and utensils were taken from the tents and conveyed away.

So deliberately was this burning and looting that we find that cans of oil found in the tents were poured upon them and the tents lit with matches.

From a tent marked "John Lawson's headquarters" were taken a store of new underclothes and a mass of ammunition piled in thousand-round boxes. It has been said that the next morning there remained standing tents which were afterwards destroyed. A very careful investigation of that statement has led us to a settled belief, and we so find, that all of the tents were burned on Monday night and that what burning and looting there was, was completed before morning.

To return now to the progress of the battle, while the tents were burning and after the rescue work had been completed and the women and children cared for, the men under Capt. Linderfelt pressed on down the railroad and after a stubborn fight took and occupied and held the steel bridge that commanded the arroyo. The taking of this bridge ended the battle. From this time on for several hours the firing continued, but in gradually diminishing volume until it ceased altogether, about midnight.

In taking the steel bridge two men had been left at a pump house between the colony and arroyo. At this point these men took a prisoner who proved to be Tikas (Louis the Greek).

The men brought this prisoner back along the railroad to the crossroads at the corner of the colony, and called out "We've got Louis the Greek!" Immediately between 50 and 75 men, uniformed soldiers, men of Troop A, and mine guards rushed to that point. Lieut. Linderfelt came up with the others.

Tikas was then turned over to the lieutenant, his captors returning to their post. Some words ensued between the lieutenant and Tikas over the responsibility for the day's doings, Lieut. Linderfelt swung his rifle over Louis's head, breaking the stock of the gun. There were cries of "Lynch him!" from the crowd.

Someone ran into the tent colony and got a rope and threw it over a telegraph pole. Lieut. Linderfelt had difficulty in restraining the crowd.

He declared that there should be no lynching and turned the prisoner over to Sergt. Cullen, with instructions that he would hold the sergeant responsible for Tikas's life. About this time two other prisoners were brought to the crossroads, whom Capt. Linderfelt had captured at the steel bridge and sent down. These were Filer, the secretary of the union, and an unknown man whom we believe, however, to have been Frank Rubino.

Sergt. Cullen in turn turned his prisoner over to Pvts. Mason and Pacheco. Lieut. Linderfelt then went back along the tracks to the station. During this time the group of men and prisoners at the crossroads was standing erect in the glare of the burning tents; they were not firing but afforded an excellent target to their adversaries.

Shortly after the departure of Lieut. Linderfelt, firing was resumed. The men returned to their places under cover of the railroad embankment and recommenced firing into the colony.

The three prisoners ran through this fire toward the tents and were all shot before they reached them; Tikas was shot in the back, showing that he was killed from the soldiers' side. Filer, was shot in front, showing that he was killed from the strikers' fire. The unknown who dropped between the other two we have no information of.

Two bullets passed clear through the body of Tikas, showing that they must have been steel-jacketed bullets, such as are used by the soldiers and also by some of the mine guards and Troop A men. The one bullet that was found in his body is a soft-nosed bullet which is an ammunition never used by the soldiers.

In speaking of the different kinds of bullets used in the Battle of Ludlow, we are led to controvert a statement that the soldiers and men supporting them used explosive bullets. It is not difficult to understand why this mistake is made. The steel-jacketed bullet used in the present Springfield rifles makes a noise in passing through the air very like an explosion. By the sound alone it could very easily be mistaken for an explosive bullet. The bullet extracted from Louis Tikas was not an explosive bullet.

It was submitted to us by the coroner, and we found it to be a very common type of soft-nosed bullet. While not inhuman, like explosive and poisoned bul-

lets, still it is a thing prohibited under the rules of civilized warfare. The strikers that day were actually using explosive and poisoned bullets, as many such were recovered.

The explosive bullet contains at its nose a small percussion cap, which, upon striking, explodes a charge within and scatters the bullet in tiny fragments, thus tearing a large and ghastly hole in anything in which it is embedded. Some of the poisoned bullets contain no poison, being a composition of lead and copper instead of steel and nickel, as our bullets are now made. Others are filled with verdigris.

The former ammunition was used for a while shortly after the Civil War, and has been universally known as a poisoned bullet, because it sets up blood poisoning almost instantly wherever it penetrates the human body.

There is little left to tell. The remaining hours of the night were spent by both sides in desultory firing, gradually dying out about midnight. The refugees from the tent colony seem to have betaken themselves in a general easterly and northeasterly direction to the farmhouses on the plains and the cover of the black hills (low hills), 2 or 3 miles to the east, rising from the plains.

These hills swarmed with men all the next day. The tent colony continued to burn; in fact, it burned all of Monday night and Tuesday night. Whether or not some tents remained standing on Tuesday morning, which were then destroyed by men in uniform, as has been stated, we were unable to determine. Such a thing is possible, but not probable, in our judgment.

Around about midnight Monday the soldiers and their allies were withdrawn from the field of battle and given a few hours' sleep. Before the dawn on Tuesday they were all awakened and sent to occupy the commanding positions in all directions at some distance from Ludlow. This was done in expectation of a renewed attack.

It is this circumstance, of which there can be no doubt, that leads us to the belief that there were no soldiers in the vicinity of the tent colony when daylight broke on Tuesday, and that all the tents were destroyed on Monday night.

We find that the dominant feeling among the refugee colonists on Monday night, and before a second thought came to them or was suggested to them, was resentment against the Greeks for starting the battle which was bound to entail the results that it did.

This feeling of resentment against the Greeks prevailed even over their resentment against the soldiers, but the incident was later made a handle to inflame the minds of these deluded men to the acts of slaughter and rapine that followed throughout the State.

It was made the excuse of many bold and defiant utterances and acts of treason against the State by certain union leaders who had the opportunity by their influence and authority to prove themselves really great and good men and worthy citizens. Instead, by all means of exaggeration, incendiarism, and treasonable practices, they made of the Battle of Ludlow a means of organizing a real rebellion, with its attendant awful consequences.

We do not presume even to hint where the ultimate responsibility lies in the present strike. It may be that the coal operators or the union are wholly to blame for the conditions that have made such results possible; it may be that both sides are partly at fault.

The conditions having been brought about and being actually existent, whatever the cause, we feel that for their treason and rebellion against organized society, with the horrible consequences of anarchy that followed, certain union leaders must take the responsibility before man and God.

Respectfully submitted.

EDWARD J. BOUGHTON,  
Major, Second Infantry, and Judge Advocate.  
W. C. DANKS,  
Captain, First Infantry.  
PHILIP VAN CISE,  
Captain, First Infantry.

The following additional recommendations were made by Maj. Boughton:

I feel it my duty to add a recommendation to those made by the board of officers. Believing that the outbreak at Ludlow was directly due to the presence near each other of deadly enemies in the persons of strikers, non-union workmen, and mine guards, festering a canker of hate and brutality

of which the battle was the inevitable expression, I greatly fear that the same forces again at work will again develop the same or a similar result.

To my thinking, good citizenship demands that these elements of rapine and slaughter be kept apart. As the mines and coal camps can not be moved away, I recommend that the commanding general and the governor urge upon the commanding officer of the Federal troops the unwisdom and danger of permitting the tent colony to be reestablished at Ludlow.

My brother officers do not feel the necessity for such a step.

#### VAN CISE EXHIBIT NO. 2.

[Article written May 30, 1914, as the situation then appeared.]

#### THE COLORADO STRIKE SITUATION.

[By Philip S. Van Cise, captain, National Guard of Colorado.]

What Colorado needs is toleration, calm judgment, and a strict enforcement of all laws. What the operators need is an appreciation of the right of labor to organize, to hold peaceful assemblies, and to own property in coal camps. What the strikers need is real leaders who can present their case by argument instead of violence, who will confine themselves to facts and tell the truth. What the militia needs is an esprit de corps that can only be gained by requiring officers to approximate the standards of the Regular Army, a purging of its ranks of partisans and the few malefactors therein, and the support of the government and people of the State. What the Nation needs is radically amended immigration laws that will keep out anarchists and lawlessly inclined Italians, Greeks, and other south European peoples.

The present situation is an armed truce. Armed, because while the operators have complied with the orders for the disarming of their men, the strikers have not. The United States troops stand between the mines and the tent colonies. The strikers, through their leaders, openly state they will renew their call to arms and campaign of violence if the militia again takes the field. A Denver women's peace society, dominated by strikers, declares in the chamber of the house of representatives that it will forcibly oppose the National Guard if again sent into service. The operators refuse to meet the "traitors and murderers," as they term the strikers. The militia, damned by strike sympathizers, made the goat of the conflict, unpaid for three months, insufficiently clothed and equipped when in the field, smarting under injustice, disgusted with certain higher officers and the governor, nevertheless stands ready to take the field if supported by State authorities. The mine guards have departed, as the majority of them did before when the guard first went into the field in October, 1913. Property values have materially decreased, investors are frightened from the State, positions are insecure, and the great third party, the public, does the suffering.

On the merits of the strike much can be said on both sides. A premise to any fair statement must be that there is little law in Las Animas and Huerfano Counties when operators and miners are participants. (The strike has likewise spread into violence in Fremont, Routt, and Boulder Counties, but this statement does not apply to them, as far different and very excellent conditions exist there.) Personal-injury cases against operators are doomed to defeat. The sheriff's office is the cat's-paw of the corporations, and representative government exists only on paper.

The coal mines are in narrow, barren canyons, almost devoid of water, on lands owned or leased by the companies. The houses, in the main, are good. The majority are electric lighted, and the rents are reasonable. The company stores sell at the same price as similar goods are sold in Trinidad and carry stocks far larger and more diversified than do the independent traders adjoining the coal camps. The school facilities are at least average, and the school building is the usual place for the moving-picture shows, dances, and other entertainments of the camp. But they are not open for any assembly of the men to discuss social welfare, wages, or law enforcement. Nor are the men allowed to gather for that purpose. The employment of a mixture of nationalities aids the operators in their work of keeping the men apart.

The strikers, after they went out of the mines, received widespread publicity for their claims that the operators had machine guns trained on their camps,

had Baldwin-Felts thugs and gunmen around killing them and assaulting their women, and that they had finally been obliged to arm themselves in defense of their homes.

There are two sides to this story, however. The strikers have many good tacticians among their leaders, and these located the tent colonies at the very mouths of the canyons. Hence workers in the mines, "scabs," as they are called, and the officials had to pass these colonies on their way to the stations. Strike breakers coming in were greeted with profanity and violence. The mine owners, with the men who did not want to join the union, being thus intimidated, and fearing violence, secured guards for their property. These guards were of various classes, just like men in any walk of life. A few, and only a few, were from West Virginia. Some were gunmen with records. Others, though a small number, were Baldwin-Felts detectives. Many were men of good physique out of work; others were arrant cowards who thought they were getting easy jobs at high salaries.

Nearly all the mining companies gave orders to their guards to stay on their own property and only to bear arms there. In the main this was obeyed. In some canyons the guards did not do so, and proceeded to pick fights with the strikers. The latter, where the guards did not precipitate the trouble, did so themselves. The strikers bought guns with union and individual funds. The operators brought in more weapons, including machine guns. As a further means of defense they purchased searchlights to scour the hills at night. Yet the latter were purposely thrown on the tented colonies and proved very annoying to the occupants.

Here arises a query, Which side had the motive for violence? The operators had if at the outset they could scare the strikers by this means. But they ran the risk of retaliation, the loss of their property, the driving away of their workers, and the resultant closing of the mines and capitulation to the union. The strikers had everything to gain through force, and very little to lose. Hence they resorted to it on all possible occasions.

The strikers imported their agitators and gunmen, they secured their rifles, and bullets began to hail upon the hills. Finally, with the strikers from the Ludlow tent colony in the ascendancy, the entrance to Hastings and Berwind Canyons were closed in, hundreds of shots fired into the two towns, and a state of absolute anarchy existed. The operators, long crying for State troops, became hysterical in their demands. The people generally wanted the militia, and it is even said that the leaders of the strikers, fearful of results with their men out of hand, likewise joined in the general desire.

Troops were ordered out, and welcomed by both sides and citizens generally. But martial law was not declared, and the militia was greatly hampered in consequence. Orders for disarmament were given and the mine guards generally disarmed. But few guns were turned in by the strikers and the operators kept many of their own weapons, though willing to give them up if asked to do so. Result—an armed force between two belligerents. One thing must be borne in mind, however. With troops in the field the "scabs" were secure, the strikers were peaceable, the operators discharged their mine guards, property was safe, and coal was mined.

The governor tried to take a middle ground. He forbade the importation of all strike breakers. The union leaders were jubilant, the operators angry. The mines worked a limited output, the colonists received their \$3 a week apiece, and the rank and file were dissatisfied. Then rumors spread that the governor was going to allow strike breakers to enter the fields. Instantly the murmur of the strikers became an uproar, and open threats of violence were made.

As a side light upon the temper of the Ludlow colonists, an incident that happened November 30, 1913, four days before the big snow, may not be amiss. Company K of Denver, 103 strong, the largest company in the guard, was stationed at Ludlow. Bernardo Verdi, the Italian leader of the colony, came to the military camp early in the morning and threatened violence if strike breakers entered the district on the 8.30 a. m. train. The military policy of this camp had been, among other things, to cover the Ludlow station at train time with a detail of 10 men and a sergeant. The sergeant reported by phone that the entire colony was at the depot "spilling for trouble." The captain ordered the first lieutenant to assemble the company and hold it subject to orders, and took two sergeants to the depot.

The colony was out in force. Small rocks covered the road, and the women carried clubs that would have put to shame the maces of the middle ages.



Many had spikes driven through them. Others were guarded limbs of trees with sharpened branches. Some were just plain boards and billiard cues.

The detail was ordered to fix bayonets, and with much grumbling and muttering the depot and grounds were cleared. But when the road was reached trouble began. The crowd refused to move farther and violence was imminent. The detail had a front of from 100 to 150 feet to cover, and opposed to the 10 sentries was a solid mass of strikers, with their club-swinging women in the front rank, giving vent to all manner of profanity, and a sullen bunch of men in the rear urging the women to violence. If trouble had started nothing on earth could have prevented some women being bayoneted and others shot, and then Company K, called on to protect the peace, and impartial as to the merits of the strike, would have been branded to the world as murderers of defenseless women and men protecting their homes from gunmen. And among these women were two who have since gone to President Wilson to represent the strikers' side of the battle of Ludlow.

Luck was all that saved the day. Three leaders of the strikers, Bernardo, Weinberger, and Jones, were picked out of the crowd and turned over to the sergeants with instructions to shoot them on the first sign of trouble. They protested that they were not responsible, but admitted they were the leaders of the colony. When they saw that the orders would be enforced they managed to signal the crowd and before the train arrived a large number had gone back to the colony. No strike breakers arriving, the incident was closed. But it illustrates the violent character of the Ludlow strikers.

The next step was the raising of the embargo by the governor, and importation of strike breakers. The military authorities made every effort to enforce the State law. At Ludlow, and elsewhere, commanding officers were instructed to and did examine every man who entered the district looking for work. Each had to be asked if he knew that a strike was in progress, had been so told before he signed up, and was willing to go to work under those conditions. Further, the strikers' colony was pointed out to them and they were instructed that the men in the tents were out on strike.

Again the agitators shouted "To arms!" The terrible Colorado blizzard alone prevented an outbreak at this time and proved the most effective settlement of violence that the State has yet seen. For six weeks the district was under 4 feet of snow, the strikers were effectually penned in their colonies, strike breakers filled the camps, and mines operated to capacity.

The snow disappearing, the hatred of the strikers for all troops grew apace. Strike breakers were protected and the term "scab herders" was applied to the soldiers. The dislike of the strikers for the soldiers was caused by the fact that the presence of troops made the nonunion miners feel secure, and hence made the success of the strike very doubtful.

The militia in the main made a splendid record. During a service in the field of nearly six months and until the Battle of Ludlow, only two men were killed by the troops, one accidentally and the other a fugitive from justice. A district of several hundred square miles was policed and absolute order prevailed.

The Colorado troops, according to the annual reports of United States Army inspectors, have as fine a body in the rank and file as can be found in the country. The majority of the companies come from the small towns of the State and number in their ranks some of the best young manhood in Colorado. One of the Denver companies was composed entirely of former college men. The only interest any of these men had in the strike was to wish for a speedy settlement and all were disinterested as to the merits of the controversy. Their one desire was to get back to their homes.

A soldier can not be made in a few days. Discipline is the habit of obedience. The militia had many men who committed abuses, but this was to be expected among 1,400 men, many of them recruits unused to restraint and military training. The military game was a hobby with many, but the permanent pursuit of none. The wonder is, with a constantly growing hostility among the strikers, the abuses were not greater. As the officers learned the game better and got their men used to team work these conditions became less frequent.

The Colorado militia has long been cursed by factionalism. Many chair warmers and sycophants have been retained by various adjutant generals. The result has been that a real esprit de corps has been prevented, and many inferior officers have been allowed to creep in. To these few, the enlistment of mine guards, and the hostility of the strikers can be traced the troubles between troops and union.

First Lieut. K. E. Linderfelt, placed in command at Cedar Hill, 1½ miles from Ludlow, has, throughout the strike, been the Nemesis of the strikers. A member of the guard off and on for many years, a former sergeant of the Regular Army, a veteran of many wars, and a typical soldier of fortune, he was the worst man that could have been put in command of troops charged with preserving the peace. As a fighting man there was none better or braver. Personally likeable when casually met or in conversation, he was possessed of an insane hatred towards "red-necks" or "wops" as the strikers came to be called. When the troops entered the Ludlow district on November 1, 1913, he with other mine guards was personally disarmed by Col. Davis, of the Second Infantry, though Linderfelt was then a battalion adjutant in that regiment. At this time he was a deputy sheriff though not drawing pay from the county, and was in charge of the mine guards during the battles at Berwind, a C. F. & I. property. (Mr. Welborn, president of the C. F. & I. testified before the congressional commission that Linderfelt was paid by his company (Vol. II, p. 554). Linderfelt before the Industrial Commission said he was paid by the county. The county records show no such payment.) Later he put on his uniform and was assigned to duty in charge of Company B, Second Infantry.

This was a Trinidad company, composed at that time almost entirely of Mexicans, and had been called out by the sheriff about two weeks before the other troops took the field. The Mexicans were gradually eliminated, and Americans took their places. Only one of the original members was left at the time of the Battle of Ludlow. In its ranks were then numbered mine guards, men enlisted in the district, and men transferred from other companies which had been relieved from duty. These transfers came late in the campaign, and were a good average bunch of men.

The old mine guard element, led by Lieut. K. E. Linderfelt, was always in trouble with the colonists. This group and the strikers constantly sought opportunities for assaults upon each other, and each made the most of its opportunities. Company B had the best of it, because it carried arms. The result was that while the First Infantry company at Ludlow was usually on good terms with the strikers, played baseball and football with them, and its men could go into the colony unarmed, Lieut. Linderfelt and his men went in parties armed to the teeth, in constant danger of being wiped out if caught unawares.

K Company left the field March 13. B Company—its strength about 35—moved a detachment of 12 men to K's old camp, and Maj. P. J. Hamrock, formerly in command at Aguilar, was ordered to Ludlow.

Hamrock is an Irishman and an ex-Regular. His few critics (before Ludlow) were never able to say worse of him than that he was a saloonkeeper. A crack rifle shot, honest, fair and square, "Pat" was universally loved in the guard. As major he was in charge of the district. Lieut. Linderfelt, nicknamed "Monte" was in direct charge of the company. The major tried to keep order, Monte to force disorder. Several strikers were booted off the depot platform, assaulted in the roads, and "run ragged." On the other hand the soldiers were the constant recipients of threats that they would be wiped out by the strikers.

On the departure of K, and foreseeing a withdrawal of all the troops, the colonists began to bring in from the hills and arroyos the guns hidden from the search of the soldiers. They planned further attacks upon the mines and the driving out of the hated scabs. They also hoped for a chance to get Monte and his men, but did not dare so long as a strong supporting force was in the field.

A troop of cavalry, known as Troop A, was enlisted among employees of the operators. These men were anything but impartial, all were violent opponents of the unions, and the agitators seized upon this incident as a means to further inflame the strikers.

Friday, April 17, 1914, all other troops were withdrawn; Company B and luckless Pat were left. Events moved swiftly. The strikers now grew arrogant, the operators fearful and good citizens began to leave. Mine guards came back into the district, and the searchlights again threw their beams across the sky.

The strike was apparently lost. Radicals urged violence as the only way to enforce victory. Tuesday at dawn was set as the time to wipe out the soldiers and then to march on the coal camps of the C. F. & I. at Berwind and the Victor-American at Hastings and Delagua. Some of the colonists warned their friends in the coal camps to move before the attack. A succession of trivial incidents precipitated the battle on Monday, and Ludlow, through the agency of a bitter and untruthful press, became the most misrepresented spot in the United States.

Of the battle itself, little need be said. Started by the strikers, it was finished by the soldiers. But of the results volumes have and will be written. One significant fact has been overlooked. If the troops started the battle, where did the strikers so quickly get their arms and ammunition, when presumably they had turned all over to the soldiers on demand and search? Or did they hide them as they did from the United States troops? Why were these guns at hand?

The soldiers were in uniform, on duty, and representing the State. Whatever their past offenses, the strikers had a remedy in a legal manner. An attack upon the troops was an assault upon the Government.

Until darkness fell, and their ranks were augmented by reinforcements from Troop A, the conduct of the soldiers was most exemplary and praiseworthy. But the approach of night gave cover to liberty, and riot reigned as the battle ceased. Three prisoners were captured, one assaulted by Lieut. Linderfelt, and all three shot under the infamous "ley fuga" of the Mexicans. The colony, already on fire in one corner, was burned to the ground.

The assault upon Tikas and the murder of the three prisoners can not be too severely condemned. As the men were outlaws they could have been shot in their tracks and never captured, but once taken they were entitled to be kept inviolate. These murders by this mine-guard group should be as severely punished as should the murders by the strikers, and both should receive the extreme penalty of the law. On the other hand, however, the heroic work of the other officers and men who participated in the Ludlow battle should not be overlooked and unstinted praise should be given them for their conduct in resisting an attack by superior numbers.

The next day dead bodies of women and children were found huddled in a small pit under one tent, and the papers published far and wide the lie that machine guns had mowed down women and children. This falsehood was deliberately spread by union leaders, whose own physicians had personally testified before a coroner's jury that there was no sign of a bullet wound on any but the Snyder boy. He was not in the pit, and was shot in the forehead while standing beside a tent, facing to the rear. The boy's father pulled the body back into the cellar, and when rescued from there by the troops carried the body to the depot.

The world has heard little of the horrible mutilation of the bodies of Prys. Martin and Hockersmith by strikers, of the percussion-capped, soft-nosed, and poisoned bullets of the unionists. All that went out was that "gunmen militia had murdered defenseless women and children."

The fact that prisoners had been assaulted and killed was first given out by the board of officers appointed to investigate the Ludlow battle. If it had wished to shield anything, all it had to do was to keep quiet and nothing would ever have been known of these incidents.

But that strikers built rifle pits in front of and in the colony, that they dug cellars for their women and children to hide in, that they used both on the day of the battle, and deliberately forced the troops in self-protection to return the fire has not been told. That women and children were rescued from the colony by soldiers was not admitted by strikers, though these unfortunates were cared for, fed and sheltered, and sent to Trinidad, where they later lodged in the strikers' tent colony. Though all the inhabitants of the tent colony were accounted for on Thursday after the battle, and this fact was admitted by John McLennan, president of the State federation of labor while he was a prisoner at Ludlow, yet for weeks the leaders sought to inflame their followers with statements anent women and children buried and concealed at Ludlow!

Then what happened? A machine gun was delivered to strikers at Aguilar by union leaders. Delagua was attacked, men killed and women shot upon. The water plant was destroyed, the Royal mine blotted out, 35 men, women, and children shut in, and the entrance dynamited. The Chandler mine in Fremont County damaged by strikers under a flag of truce. The Walsen mine at Walsenburg assailed, Mrs. Gregory shot in the arm, and troops sent to the defense. Maj. Lester, of the medical corps, was killed and Lieut. Scott and Pvt. Miller injured. (For their own purposes of concealment, and to encourage their own ranks, the strikers did not make public the fact that in this attack upon the troops their losses were very heavy.) The Heckla mine, in Boulder County, was next surrounded and thousands of shots poured into it, while the sheriff was imprisoned inside. Calls to arms were published in the Denver papers, signed by union leaders, asking union men for arms and ammunition and to drill to exterminate mine guards and militiamen. The camp at Forbes, near Ludlow,

attacked at dawn, burned to the ground, nine killed, Japs shut up in a house and burned to death. And all this done under the "excuse and provocation" representations of the agitators that women and children had been deliberately killed at Ludlow by soldiers! If this was true, why were any rescued?

Who killed these innocent sacrifices? Not the soldiers, because they were not struck by bullets, the militiamen had not dug the pits, and rescued all occupants of the colony found therein. Then it must have been the strikers who dug the pits for their families to seek safety when they started hostilities. The majority of the women and children rushed for the arroyo. All were dressed, as the battle began after 9 in the morning. These few hid in the colony, and were used as the excuse for anarchists and black-hand assassins to commence an era of rapine and destruction unheard of before in America.

What an opportunity was missed by union leaders! Instead of sympathy the strikers now have the opprobrium of all good citizens. Instead of trying to win by truth they rest on falsehood and violence. Only May 18 the three most prominent union leaders in Colorado, McLennan, Doyle, and Lawson, sent out telegrams that "barrel-house bums and gunmen militia destroyed Forbes and Ludlow." Does this invite confidence?

Now, about the National Guard. Its condition is serious. Compelled to remain silent under abuse, hampered in the field by constant truces made by the governor with armed forces in rebellion against the State, its spirit is broken. How would you like to arrive in Ludlow, to hear the purr of a machine gun, the rattle of small arms, be down there to maintain order and uphold the laws, see hundreds of armed men in the hills shooting in your direction, and be told, "No; you aren't able to handle this situation, so the lieutenant governor has made a 48-hour truce in Denver?" Then to have these men sink away from the hills and break out in other parts of the State? Again, to have a company in the battle at Walsenburg surrounded by scores of strikers, fighting for its life, and have the other troops forbidden by the governor to go to its rescue or even to fire if fired upon? Or to know the night before that Forbes was to be wiped out, to implore the officer in command to be allowed to go to its aid, only to hear that the governor would not allow a movement in that direction? Then to be awakened at dawn with a horrible din of small arms, the crackle of a machine gun, to hear the latter cease its roar, the rifle fire diminish and die away, and see smoke come over the hill? And you sit in camp, damned as cowards? And the men who did the deed of death and destruction march gleefully back to Trinidad and openly boast in the streets of their exploits. Do you wonder the guard is ashamed of its governor, has no esprit de corps, and wants to quit a game of vacillation?

But give this same guard (eliminating the mine guards and Company B, Second Infantry, and giving it a different chief) an absolute order, "You go into the district and keep the peace, and do it under martial law," and to a man the National Guard will respond, the situation will be taken over from the Regulars, and quiet maintained.

But law and order is no solution to the strike itself. The laws must be enforced and the violators punished. So much for the results of the strike and the needs of the State.

Now, for the merits of the strike. There are two sides to every controversy. When two men fight in a back alley with no onlookers they usually settle their difficulties. But when two large factions of society fight the State or the Nation must step in and end the conflict. Under martial law strikers can be deported or the mines closed. Neither is fair, yet each side cries for this remedy to be applied to the other. Compromise must be brought about. Both sides must win a little, lose more, and shake hands. But it should be understood that a settlement does not exempt law breakers on either side from punishment.

Recognition of the union is the main issue with the strikers. The right to run their own business in their own way is the contention of the operators. They further claim, and the evidence before the congressional commission bore this out, that the strike was called by a convention of delegates from the various camps, many of whom had worked in them for only a day or two, and that others were paid to attend. In other words, that the convention was not representative of the working miners of southern Colorado, and hence did not state any claim of their employees. The strikers object to the Baldwin-Felts men, but the operators have every right to object as much to the one hundred or more Greek soldiers whom they claim were brought in by the strikers to act as gunmen on that side.

If strife is to cease, a scheme that incorporates three factions in the struggle must be adopted. These three are the operators, nonunion miners, and strikers. The operators now recognize only the first two; the strikers refuse to deal with the second. The United Mine workers makes its boast that when a contract is signed with it by a mine, anyone, whether union man or independent, can get work; yet it at once becomes a grievance, and the miner is forced to quit if he don't join the union.

Hence, each is fighting for the closed shop—the union to close it to the independents and the operators to close it to the unions. It is said on good authority that the unions do not thrive without the check-off system, in which the mine collects the union dues from the wage of the workers. Hence recognition of the union involves this plan.

One big hitch in the whole series of difficulties in the coal-mining districts is that the union is not incorporated. While it demands a contract with its organization, the individual members alone of which can be sued, its members are practically judgment proof, and hence the claim of the operators that a contract with the union gives no protection to them.

The union demands are—

1. Recognition of the union.
2. Ten per cent advance in wages on tonnage rates and day wage scale.
3. Eight-hour day for all classes of labor in or around coal mines and at coke ovens.
4. Pay for all narrow work and dead work, which includes brushing, timbering, removing falls, handling impurities, etc.
5. Checkweighmen at all mines, to be elected by the miners without interference by company officials in said election.
6. The right to trade in any store they please, and the right to choose their own boarding place and doctor.
7. Enforcement of Colorado mining laws and abolition of guards.

Of these demands the third, fifth, sixth, and the first half of the seventh are already given by law, but the right to guards on their own property is likewise given by law to the operators. Every fair man agrees that the second and fourth can easily be made the subject of arbitration, and the analysis discloses the issue again to be recognition of the union.

Several of the union's demands, of course, are put in for the purpose of trading and are not seriously pressed as grievances. But what these are the union officials will not yet state.

The writer suggested a permanent commission selected by the participants as the solution of the contest. The union leader to whom it was referred stated that there was merit in the scheme, but objected to recognition of the "scabs." The operators, with whom the plan was taken up, objected to the unions and resultant trouble with agitators. Nevertheless, I believe that a plan along the following lines can be worked out and a solution achieved through it. At any rate the situation has grown to such importance nationally that a permanent, neutral board between the two factions must result.

The scheme as proposed to the two factions is as follows:

*Outline of a possible scheme of strike settlement.*—Two classes are the sufferers in this controversy. In the first are the operators, the union strikers, and the nonunion workers. The second is the public.

No one wins all he strives for. The scheme suggested here is a compromise which offers promise of immediate settlement and possibly a permanent peace in the coal-mining industry of Colorado.

Coal mining has become a quasi public utility. The numerous difficulties between capital and labor require a neutral board to act between both for the interests of all. A State board is political; one selected by the parties directly interested can be nonpartisan, permanent, and effective.

*Permanent board.*—An impartial board of six members to be selected to act as a third party between the two factions. Three of these members should be composed of persons not directly or indirectly interested in either the coal companies or the unions, these to be selected in such manner as the operators and the unions should agree upon. The other three members to be optional with the interested parties and to have no voting power, being simply advisory, and representing operators, unions, and nonunion men.

This board to be maintained by an equal assessment placed on both sides. There are some 14,000 coal miners in the State. An assessment of \$1 a month on each worker and the same amount per worker on the employer should give an ample sum for all purposes set forth herein. This board shall—

(a) Employ checkweighmen at all mines, who shall likewise inspect all scales. (The men by law are now given the right to checkweighmen if they pay for them. Laws 1913, p. 191.)

(b) Employ inspectors at all mines, who shall likewise train rescue workers. (The operators already spend large sums for this purpose.)

(c) Arbitrate, if possible, all differences between miners and operators, except recognition of the union, which shall not be a subject for arbitration, as an absolute open shop shall prevail.

(d) Give entire publicity to all its work and reports and encourage naturalization.

The things to be done by the various factions are:

#### I. BY THE OPERATORS.

(a) Men may belong to the union if they so desire. (Rev. Stat., 1908, secs. 3924-3925, gives this right.)

(b) Provide a meeting place for all men of camp to gather for whatever discussion they wish without interference. (Right to assemble given by constitution, this simply facilitates that right and provides for comfort therein.)

(c) Employees given an opportunity to purchase homes in mining camps. (This should make a better and more permanent class of employees.)

(d) Abolition of scrip. (Abolished by State law, 1899, p. 426, and also by mining companies, but indirect evasion exists through issuance by some company stores.)

(e) Abolition of all saloon interests, except rental and right of regulation. (Saloons seem to be necessary evils in mining camps or the men won't work. The severer the regulation the better the camp and the greater the output of coal.)

(f) All men formerly employed, except those under indictment, to be taken back to work. (This does not prevent subsequent prosecution of any men found guilty of violence.)

(g) Fullest compliance with the laws and cooperation with the permanent board for at least two years.

#### II. BY THE UNION STRIKERS.

(a) Call off the strike, and call no new one for at least two years.

(b) To cooperate with the permanent board for at least two years.

#### III. BY THE INDEPENDENT WORKERS.

(a) To remain at work, free to join a union or keep out, without molestation by either side.

(b) To cooperate with permanent board for at least two years.

#### CHASE EXHIBIT.

STATE OF COLORADO,  
OFFICE OF THE ADJUTANT GENERAL,  
Denver, December 12, 1914.

From: The Adjutant General of Colorado.

To: M. J. Dower, secretary in charge of hearings, United States Commission on Industrial Relations, Senate Chamber, Denver, Colo.

Subject: Copies of orders.

1. Replying to your letter of December 11, on the above subject, I would state that a copy of orders pertaining to the campaign will be furnished as soon as they can conveniently be written. They are somewhat numerous and, of course, can not be given publicity until the close of the campaign.

2. A copy of section 398, Revised Statutes of Colorado, governing picketing is herewith inclosed.

JOHN CHASE.

[Chapter XV, Revised Statutes of Colorado.]

Sec. 398. That it shall be unlawful for any person or persons to loiter about or patrol the streets, alleys, roads, highways, trails, or place of business of any person, firm, or corporation engaged in any lawful business, for the purpose of influencing or inducing others not to trade with, buy from, sell to, work for, or have business dealings with such person, firm, or corporation, or to ticket the works, mine, building, or other place of business or occupation of such other person, persons, firm, or corporation, for the purpose of obstructing or interfering with or injuring any lawful business, work, or enterprise; \* \* \* (L. 1905, p. 160, sec. 1.)

Sec. 402. *Violation of act—Misdemeanor.*—Any person, firm, or corporation violating any provision of this act shall be guilty of a misdemeanor, and, on conviction, shall be sentenced to pay a fine of not less than ten (10) dollars nor more than two hundred and fifty (250) dollars, or to be imprisoned not to exceed sixty (60) days in the county jail, or both, in the discretion of the court. (L. 1905, p. 161, sec. 5.)

---

### HENDRICKS EXHIBIT.

TRINIDAD, COLO., December 18, 1914.

HON. FRANK P. WALSH,

*Chairman Commission on Industrial Relations:*

I have read over my statement given before your commission at Denver and now supplement that statement with copies of telegrams and the military orders and letters which I did not have while in Denver, and I do this because they speak for themselves, where memory might prove faulty.

On November 12, 1913, and before that date, I had been requested by hundreds of citizens in Trinidad to advise them as to whether or not military law had been declared in the State of Colorado. Being unable to answer their requests satisfactorily to myself, I did send a telegram to Gov. Ammons, of Colorado, which said telegram is as follows, and a copy of which is hereto attached:

NOVEMBER 12, 1913.

GOV. E. M. AMMONS,  
Denver, Colo.:

I request that you advise me by wire immediately if you have declared martial law in Las Animas County.

JOHN J. HENDRICK,  
District Attorney.

---

DENVER, COLO., November 13, 1913.

J. J. HENDRICK,  
Trinidad, Colo.:

Gen. Chase was directed to adopt all legal methods necessary to restore order and maintain law. Please consult him.

E. M. AMMONS,  
Governor.

This telegram from the governor to myself did not convey the information I desired, and I could not tell therefrom whether martial law had been declared or not; therefore on the 13th of November I sent another telegram, of which the following is a copy:

NOVEMBER 13, 1913.

GOV. E. M. AMMONS,  
Denver, Colo.:

Your telegram fails to give the desired information. Have you as governor proclaimed martial law in Las Animas and Huerfano Counties?

J. J. HENDRICK,  
District Attorney.

In response to that telegram I received another telegram from the governor in words as follows:

DENVER, COLO., November 13, 1913.

J. J. HENDRICK,  
District Attorney, Trinidad, Colo.:

Referring to your telegram of yesterday, consult Gen. Chase concerning military status of Las Animas County.

E. A. AMMONS,  
Governor.

I was unable to determine whether the governor had declared martial law or not, and in his telegrams he absolutely refused to state whether he had declared martial law or not; but, at any rate, martial law prevailed.

A few days after Gen. Chase had threatened to arrest the district attorney and his office force for having dared to do their duty I was served with a notice by John Chase, a copy of which is as follows:

HEADQUARTERS MILITARY DISTRICT OF COLORADO,  
Trinidad, Colo., November 15, 1913.

From: Commanding general, Military District of Colorado.

To: J. J. Hendrick, district attorney, third judicial district of the State of Colorado.

Subject: Military prisoners.

1. You are hereby notified that all persons arrested, incarcerated, and held as military prisoners in the counties of Las Animas and Huerfano, State of Colorado, are to be held subject to the order of the commanding general, Military District of Colorado, in regard to their confinement, trial, and final disposition of their cases, which notice you are respectfully requested to observe until further notice from the commanding general, Military District of Colorado.

JOHN CHASE,  
Brigadier General, Adjutant General's Department.

This notice, as you will observe, practically prohibited my office from handling the public business of the district; from prosecuting cases in the civil courts, for the reason that we did not know and were never notified who were military prisoners and who were not; that numerous people were arrested and thrown in jail and held there incommunicado during the pleasure of the commanding general.

After this notice was served practically all, if not all, arrests were made by the military power without complaint or warrant, and they handled these criminal matters in such way as suited their pleasure.

In the case of *The People v. L. A. King*, who we had arrested upon a charge of assault to kill, at the instigation of the operators, rough their attorney, Northcutt, and before we were permitted to try the case in the civil court, we received the following order or letter from the military authorities, a copy of which follows and is hereto attached:

HEADQUARTERS MILITARY DISTRICT OF COLORADO,  
OFFICE OF THE JUDGE ADVOCATE,  
Camp at Trinidad, November 22, 1913.

From: Acting judge advocate.

To: Mr. D. M. Raiston, deputy district attorney.

Subject: *The People v. L. A. King*.

I am advised that a preliminary examination of *L. A. King* upon a charge of assault to kill is set for to-day. The military authorities have found it necessary and expedient to apprehend *King* and are detaining him for investigation in connection with certain matters cognizable by the military. It will not be possible to produce *King* upon his preliminary to-day. Having investigated the matter which he is charged in the complaint in the justice court, we are of the opinion that that particular case should be dismissed, but our present detention of the defendant has nothing to do with that matter. Believing that it would facilitate the work of both your office and mine, I request the dismissal by you of that charge. I trust that you will see your way clear to concur in this matter and will advise me of your action.

EDWARD J. BOUGHTON,  
Major and Acting Judge Advocate, Military District of Colorado.



I was asked while on the stand in regard to the jury system prevailing in Huerfano County, and doubt if I made myself clear to the commission as to the details. I told the commission the statutory mode of drawing and empanelling juries. That is not where the fault is in that county. For about 15 years past Jefferson B. Farr, who testified before the commission, has been sheriff of that county. He dominated the politics of Huerfano County, and no man was elected or could be elected unless it met with his approval. He was a very powerful factor—in fact, the most powerful factor—in politics in that county and seemed to have the power of carrying things just as he pleased; that his word was a command to the voters; that his office was a political headquarters 365 days in the year. In the trial of a criminal case wherein Sheriff Farr took an interest I have never known it to fail in any case that the verdict was not in accordance with his wishes. If he desired a man convicted, there was no lawyer powerful enough to acquit any defendant where Mr. Farr was interested. It made no difference what the facts were, what the evidence was, nor who the party was, he had absolute control of the verdicts of the juries. When it came to summoning a special venire in a criminal case, the venire would be issued by the clerk and handed to a deputy sheriff, the deputy sheriff would make a break for the sheriff's office, which is on the same floor as the court room, and there Mr. Farr, the sheriff, would hand him a list of names to be summoned on the special venire. Always the venire returned would be men absolutely under the control of the sheriff and who would render any verdict desired by the sheriff. Whenever the special venire was exhausted the second, third, fourth, or fifth, if that many were used, would be handled in the same manner and go through the same process and the same result would be reached.

It may seem to an outsider that these statements are quite general and quite broad, but personal observation as well as personal experience have caused me to make these statements as matters of absolute fact. I have never in any community nor at any time or place known or read of any man who had such complete and absolute control over the destinies of the people where their rights and liberties were involved as had and as has Sheriff Jefferson B. Farr, of Huerfano County.

He has openly made the statement that any man could pick a hundred jurors in Huerfano County and that out of that hundred jurors he would pick a jury of 12 men that would render such verdict as might be desirable to him in any case.

This power has come to him and remained with him by reason of the fact that he has been backed up and supported in all his political manipulations by the large and powerful coal companies who operate in Huerfano County.

As an example of unwarranted military interference with regard to my duties as district attorney, I wish to cite one instance which originated in Aguilar, in Las Animas County.

A complaint was made by a woman under the statute against her husband for nonsupport of her and her family. This man had deserted his wife and family and was working in one of the coal mines near Aguilar. The complaint was lodged with the justice of the peace at Aguilar and the warrant was issued for this man's arrest, placed in the hands of a duly elected constable for service. He proceeded to the coal mine of the Victor American Fuel Co. at Delagua for the purpose of arresting the party for whom the warrant was issued. He was prevented by the military from serving the warrant, and he himself was placed under arrest and held a prisoner for several hours, and was not allowed to arrest the criminal, although the defendant was working in the mine where these militiamen were doing guard duty.

There are numerous other instances of military interference with the civil authorities, but I cite this as one of the rankest examples of their lawlessness and disregard for all civil law and authority.

#### DOYLE EXHIBIT NO. 1.

##### EVIDENCE OF ALBERT ZINK.

Q. Are you a citizen of Colorado?—A. Yes, sir.

Q. How long have you lived in Walsenburg?—A. Seven years.

Q. Were you in Walsenburg on October 24, the day the shooting took place on Seventh Street?—A. Yes, sir.

Q. Were you an eyewitness to that shooting?—A. Yes, sir.

Q. Just tell in your own way what you saw relative to the shooting.—A. I was painting my house on that day, and a bunch of four or five men came by my house and I heard them say there was a bunch of guards down at the corner drunk, and I went down.

Q. What did you go down for?—A. Oh, I don't know; I just went down to see what was going on.

Q. And when you got down there what did you see?—A. I saw about 15 or 18 guards standing in the alley back of the houses. There was a woman talking to a guard at the entrance of the alley, and I went up to see if the guards were drunk. They did not appear to be drunk, but they all had rifles; then I came back and stood at the corner of Seventh Street.

Q. And from where you stood on Seventh Street, could you see the teams that carried the furniture when they pulled out of the alley?—A. Just as plain.

Q. And when they came out of the alley, they came down the cross street and turned up Seventh?—A. Yes, sir.

Q. How many teams were there?—A. Three.

Q. And when the teams pulled out of the alley, they came down the cross street and turned to the left and went down Seventh Street?—A. Yes, sir.

Q. Now, up to this time was there any firing?—A. No, sir.

Q. You say all the guards had rifles?—A. Yes; they had rifles and revolvers both.

Q. Did you see anybody else with guns there?—A. None but the guards.

Q. What provocation if any, in your judgment, did the guards have for shooting?—A. I didn't see any; the street was full of children, and they were chasing after them and throwing tin cans and bits of dirt at them.

Q. How many people were on the street, do you think, at the time?—A. As near as I can remember there was in the neighborhood of 200.

Q. Now, from where you stood did you see the first shot fired or did you only hear it?—A. I saw the first shot fired and it was fired by a guard. I don't know who he is. He fired from the corner of Seventh Street, right near the Richards house.

Q. Was this man, who fired this shot, on foot or on horseback?—A. He was on foot.

Q. How many shots in all do you think were fired?—A. About 50.

Q. After the shooting started, what did the guards do?—A. They all lined up across the street and gradually backed away until they got down the cross street quite a ways.

Q. Did they keep on shooting, as they backed away?—A. You bet.

Q. And after they stopped shooting, what did they do?—A. They went in the direction down to the courthouse. I didn't see them after that.

Q. After the guards went away, what did you do?—A. I went around and saw the men that were killed, after which I went home.

Q. Is this the only shooting scrape you know of where the guards did the shooting?—A. I heard some shooting before that yet.

Q. What do you mean, on the same day?—A. No; it was several days before that.

Q. Where did this shooting take place and who did it?—A. It took place at the end of Seventh Street, and, I think, the shooting came from the guards on the Colorado Fuel & Iron property. I heard the bullets whistle and all the bullet holes I saw the next day came from that direction. A German fellow's house was shot through and the bullet passed about 1 foot above the bed, where a boy 10 years old was sleeping. I was in the house the next morning and traced the course the bullets took.

Q. Was there anything done on the part of the authorities to apprehend the parties who did the shooting?—A. Not so far as I know.

#### EVIDENCE OF H. C. JOHNSON.

Q. Where were you on the 24th of October, 1913?—A. Walsenburg.

Q. Do you know of any persons being shot in Walsenburg on that day?—A. Yes.

Q. Where did that shooting take place?—A. On Seventh Street, six blocks west of Main Street.

Q. At what time in the day did the shooting occur?—A. As near as I can remember it was between 4 and 5 o'clock in the afternoon.

Q. Did you see anybody do the shooting?—A. Yes.

Q. Who was the party who did the shooting?—A. I don't know. He was a stranger to me.

Q. How far were you away from the man you saw shoot?—A. I was on the opposite side of the street and about 150 feet east of the man I saw shooting.

Q. Did you see any more than one man shooting?—A. I saw three shooting.

Q. What kind of a gun did these men use?—A. Rifle.

Q. Where were you standing relative to the man who you saw shooting?—A. I was opposite No. 627 and the man I saw shooting was on the corner of Seventh Street and the cross street running north and south.

Q. Was this man on foot or on horseback?—A. He was on horseback, but jumped off his horse before he fired a shot.

Q. Did this man you saw shooting hit anybody do you think?—A. Yes. I saw a man fall immediately right in front of Fred Richards's house.

Q. Did this man you saw shooting fire any more than one shot?—A. Yes. He fired several shots.

Q. Did you see anybody else using a gun?—A. Yes. There was 16 or 18 men, some were on foot and some were on horseback, and I should judge I saw two or three men shooting from the ground and several shots were fired from men on horseback.

Q. Was there apparently quite a number of people on the street at the time?—A. There was a man moving his furniture from No. 627 to the camps. The teams were company teams and in charge of the guards.

Q. Where were these teams when the shooting started?—A. They were going up Seventh Street toward the company's property.

Q. How far would they be away from the house where they took the furniture at the time the shooting commenced?—A. As near as I can judge, they would be 100 yards.

Q. Was there any demonstration being made by the men you saw standing around?—A. No.

Q. What, then, in your judgment, did the guards shoot for?—A. There was nothing that would justify the shooting.

Q. Did not the women try to stop the teams from taking the furniture out of the house?—A. I don't know. When I got there the teams was leaving the alley at the rear of the house. I stood and watched them pulling out of the cross street onto Seventh Street, and I should judge the teams were fully 100 yards away when the firing began.

Q. Was there any attempt made on the part of anybody to apprehend or stop the teams from pursuing their way?—A. No.

Q. Did you see anybody throwing anything at the teams or guards?—A. I saw the women throwing tin cans and old brooms and such stuff at the teams and guards.

Q. Were there any school children on the street at the time this shooting took place?—A. Yes. School was just let out.

Q. Did you see anybody shooting outside of the guards?—A. No.

#### EVIDENCE OF SAMUEL HAUREZ, AMERICAN.

Q. Where were you born?—A. Washington, Ind.

Q. How old are you?—A. Twenty years.

Q. How long have you lived in Walsenburg?—A. Between seven and eight years.

Q. Were you in Walsenburg on October 24, the day the shooting took place on Seventh Street?—A. Yes.

Q. Did you see the shooting?—A. Yes, sir.

Q. Where do you live in Walsenburg?—A. At 704 Seventh Street. Almost opposite to where the shooting took place.

Q. Tell the committee in your own way what you know about the shooting—A. I was standing in my own yard when the teams carrying the furniture came out of the alley onto the cross street, and there the guards were with them; some were on horseback and some were on foot. After the wagons had turned the corner into Seventh Street I heard a shot and when I looked around I saw a guard bringing his gun down from his shoulder.

Q. Did you see this man fire again?—A. I don't know. There were several shots fired. I saw Jess Russell run up and shoot the Finlander in front of Richards's house. I think he was shot before, because he leaned over and put his hands on his stomach.

Q. How long do you think the shooting lasted?—A. I don't know; perhaps about five minutes.

Q. Did you remain in your own yard all this time?—A. No; there was a bunch of women rushed up on our porch and pushed me in with them.

Q. Did you hear any shooting after you got in the house?—A. Yes, sir. Perhaps two or three shots.

Q. Did you see anybody else with guns that day?—A. No.

Q. Do you know this man Foster who is charged with having a gun?—A. No.

Q. Did you testify in the Foster case?—A. No.

#### EVIDENCE OF MAURICE TRUJILLO, MEXICAN.

Q. Were you born in Colorado?—A. Yes.

Q. How long have you lived in Walsenburg?—A. About 12 years.

Q. Were you in Walsenburg on October 24, 1913, the day the shooting took place on Seventh Street?—A. Yes.

Q. Did you see the shooting yourself?—A. Yes, sir.

Q. How did you come to be on Seventh Street at this time?—A. I live at 634, right across the street from where they were moving the furniture.

Q. And you were there when the shooting commenced?—A. Yes.

Q. Tell the committee in your own way what you know about the shooting. [Here the witness tells the ordinary story of the shooting.] Were there some of the guards mounted and some on foot?—A. Yes.

Q. How many of the guards were mounted?—A. I don't know.

Q. Did you notice which way the guards went after the shooting?—A. Some went down toward the railroad track and the rest followed after the wagons.

Q. Were those who followed after the wagons on horseback or on foot?—A. On horseback.

Q. Where were you standing when the first shot was fired?—A. In front of the house where they were moving the furniture from.

Q. And you saw the man that fired that first shot?—A. Yes, sir.

Q. Where was he standing when he shot?—A. On the cross street near the nigger woman's house.

Q. Do you know this man when you see him?—A. No; I didn't see him close.

Q. Was he on foot or on horseback?—A. On horseback.

Q. Did you see anybody else have any guns except the guards?—A. No.

Q. Did you testify in the Foster case?—A. No.

#### EVIDENCE OF ALEXANDER OSVIRK, AUSTRIAN.

Q. How old are you?—A. Twenty-one.

Q. How long have you lived in Colorado?—A. Fifteen years.

Q. Are you living in Walsenburg at present?—A. Yes.

Q. How long have you lived in Walsenburg?—A. About eight months.

Q. Were you in Walsenburg on the 24th of last October?—A. Yes, sir; I was.

Q. Do you know Mr. Proffit?—A. Yes.

Q. Were you with him on that day?—A. Yes.

Q. Whereabouts do you live?—A. I live on Seventh Street now, but at that time I lived at 530 Wyoming Street.

Q. How did you come to be on Seventh Street the day of the shooting?—A. I went with the crowd up there.

Q. What crowd?—A. I was standing by the pool room on Main Street and I saw a number of people going toward Seventh Street and I went too.

Q. Did you know why all these people were going toward Seventh Street?—A. No. I didn't know at this time. I thought there was fighting up there and I went to see.

Q. When you got up there what did you see? Just tell it in your own way.—A. I saw women on the inside of the fence throwing sticks and tin cans at the furniture and hollering "Scab," and the guards was in the alley back of the house looking at the women. After they got the furniture loaded, they pulled out and the guards went with it. When they got out to the corner of Seventh Street the guards began to shoot. The first shot was fired by Jess Russell and killed an Italian.

Q. How do you know it was Russell who fired the first shot?—A. I saw him throw up the gun and fire.

Q. Where were you standing at this time?—A. I was standing right in front of 633; when I saw two men shot, I ran into the house.

Q. Where was Russell standing when he fired?—A. He was at the corner of Seventh Street near Richards's house.

Q. Was he on foot or was he on horseback?—A. He was on foot.

Q. Was there anybody else shooting besides Russell?—A. There was a bunch of shots fired. I thought they were all firing.

Q. Did you see anybody else with guns outside of the guards?—A. No.

Q. How many people do you think there were on the street when the guards began to shoot?—A. There was a big bunch of people, lots of women and children.

Q. How was it that there were so many children there?—A. On account of the schoolhouse there—the school was just let out.

Q. You say you saw Russell fire the first shot; did that shot hit anybody?—

A. Yes; he got that Italian. I jumped inside of the fence and got in the clear.

#### EVIDENCE OF TONY BELICH.

Q. Where were you born?—A. Austria.

Q. How old are you?—A. Thirty-six.

Q. How long have you lived in Walsenburg?—A. Eight years.

Q. Were you in Walsenburg on that day? Do you know anything about it?—A. Yes; there was shooting on Seventh Street.

Q. Tell us in your own way the story. You were downtown and saw two wagons loaded with guards?—A. Yes.

Q. Where were they going?—A. They came off of Fifth Street, went through to White City, and then came out on Sixth Street, then upon Seventh Street to Mrs. Pisarczyk's house. This number is 627 Seventh Street. When they got there they started to move the furniture onto the teams. When I got there there was one wagon already loaded.

Q. How many guards did you think were there?—A. About a dozen anyway.

Q. Did they all have guns?—A. Everyone had two, not just one.

Q. Did you see anybody else have any guns besides the guards?—A. No; I didn't.

Q. Was there quite a number of people in the street at that time?—A. Yes; from three to four hundred people.

Q. Did you see the men doing anything in the way of throwing stones?—A. No men; but I saw the children throwing them.

Q. Where were you while they were loading the furniture?—A. I was standing in the middle of Seventh Street looking into the yard.

Q. You could see them then loading the furniture from where you were?—

A. Yes; I could see them.

Q. How many wagon loads of furniture were there?—A. (No response.)

Q. Did you stand there until you saw the wagons loaded and moved away?—

A. Sure.

Q. Where were the wagons at the time of the first shooting?—A. The wagons had pulled out of the cross street into Seventh Street, and the guards lined up on the cross street and began shooting down Seventh Street toward the town.

Q. Did you see the first shot that was fired?—A. Yes, sir.

Q. Would you know the man if you saw him who fired the first shot?—

A. Yes; if I saw him.

Q. Did this shot that was fired hit anybody?—A. Not the first one. With the second shot the Italian fell.

Q. Did you see the Italian after he was shot?—A. Sure I saw him.

Q. Was there anybody else shot besides this Italian?—A. Yes; this man, the Finlander, shot in front of Richard's house.

Q. Was that all the people that were shot?—A. No; one Austrian fellow was shot and died the next day, and an American shot through the foot.

Q. What, if anything, in your judgment was there to make the guards shoot at the people?—A. Because the children and women called them scab herders.

Q. They did not offer any violence?—A. No, sir.

Q. How many shots do you think the guards fired?—A. I can't tell.

Q. Would there have been 50 shots?—A. More than that.

Q. And after they had stopped shooting, what did the guards do?—A. They just ran away to the fence of the company ground.

#### EVIDENCE OF ANNA PISARCZYK.

Q. Where were you born?—A. In Pueblo.

Q. How long have you lived in Walsenburg?—A. Fifteen years.

Q. Were you in Walsenburg on October 24?—A. Yes, sir.

Q. There was considerable shooting done here that day. Do you know anything about it?—A. Yes, sir.

Q. Were you an eyewitness to that shooting?—A. Yes, sir.

Q. Tell us in your own way what took place. Whereabouts on Seventh Street did this shooting take place?—A. On the corner of Seventh and the cross street in front of Richard's house.

Q. What in your judgment led up to the shooting? What provocation if any did the guards have for shooting?—A. No provocation. My husband ordered the guards off his property and out of the yard.

Q. What were the guards doing in that yard?—A. Standing with their guns, looking at the people.

Q. Were the teamsters loading the furniture on the wagons at this time?—A. Yes, sir.

Q. When your husband ordered the guards out of the yard did they go out?—A. Not until "Shorty" Martinez ordered them out.

Q. You heard "Shorty" Martinez tell them to get out of the yard, did you?—A. I did not, but my husband did.

Q. When the furniture was loaded on the wagons and they started to move out of the yard into the alley, and from there on Seventh Street, were you in a position to see the teams as they moved out?—A. Yes, sir.

Q. Was there any attempt made to keep the teams from driving away?—A. Nothing except children were throwing stones at the wagons.

Q. Where were you at the time the teams started to move?—A. I was standing in the yard of Mrs. Thomas. I saw the teams drive out of the yard into the alley; then I went out on to Seventh Street and walked along toward Richards's house. I saw the teams when they came around the corner and turned up Seventh Street, and the deputies were following the crowds.

Q. Where you standing relatively when the shooting began?—A. On Seventh Street, near Mrs. Richards's house.

Q. Did you see or hear the first shot that was fired?—A. I saw the first shot.

Q. Do you know who it was that fired the first shot?—A. Yes, sir.

Q. Who was it?—A. Jess Russell.

Q. Where were you relative to the first shot that was fired?—A. I was in front of Mrs. Richard's house.

Q. Are you positive it was Jess Russell that fired that shot?—A. Yes.

Q. And you saw the Finlander stagger toward the fence and you turned and ran back to Mrs. Thomas's house?—A. Yes, sir.

Q. Did you see any other shooting after that?—A. No, sir.

Q. Did you hear any other shots?—A. Yes, sir.

Q. How many shots do you think were fired?—A. So many, I don't know.

Q. Were any of the guards arrested and charged with the shooting?—A. No.

Q. Was anybody arrested charged with the shooting?—A. Not that I know of.

Q. You were summoned as a witness to testify in court relative to this shooting in a case in which a man by the name of Foster was charged with having fired the first shot?—A. Yes; I testified in this case.

Q. Did you see this man Foster that day?—A. No, sir.

#### EVIDENCE OF MOSE NELSON.

Q. How old are you?—A. Twenty-two.

Q. Where were you born?—A. Walsenburg.

Q. Was you in Walsenburg on October 24, 1914?—A. Yes.

Q. There was some shooting done in Walsenburg on that day; do you know anything about it?—A. Yes.

Q. Did you see the shooting?—A. Yes.

Q. How did you come to be on Seventh Street at this time?—A. I saw the people going there and I was curious to know what was going on and I followed the crowd. When I got there they were loading wagons up and ladies were throwing rocks and tin cans and they were hollering "scabs."

Q. What did you see then?—A. I came out on Seventh Street.

Q. What did you see from Seventh Street?—A. I saw the teams coming down the cross street and turning up Seventh Street.

Q. Where were the guards then?—A. They were following behind the teams. I saw Jess Russell pull his gun to his shoulder and I saw him pull the trigger and shoot. The first shot killed the Italian. Then I went in the house.

Q. You say that when you got there they were loading the furniture onto the company teams in the back yard, this house, No. 627?—A. Yes, sir.

Q. Now, there was quite a number of people around?—A. Yes; quite a few.  
Q. Did you see any guns or weapons outside of those the guards had?—  
A. No, sir.

Q. Did you see the men make any attempt to prevent them loading the furniture on the wagons?—A. No.

Q. Did you see the women make any attempt?—A. No. They only threw tin cans and coal and hollered "scabs." They tried to play the hose on them, but it would not reach.

Q. You saw the teams, did you, when they started to move into the alley and down the street toward Seventh Street?—A. Yes, sir.

Q. Where were the teams when the first shooting began?—A. They were turning out of the side street onto Seventh Street.

Q. And where were you standing at that time?—A. I was standing on the opposite side of the street on Seventh Street.

Q. From where you were standing, could you see the first shot that was fired?—A. Yes, sir.

Q. Do you know the man that fired the first shot?—A. Yes, sir.

Q. What is his name?—A. Jess Russell.

Q. When you saw Jess Russell fire did he hit anybody?—A. I don't know whether he hit anyone, but the Italian fell just as soon as that shot was fired.

Q. Was there any other shots than this you heard fired?—A. Yes.

Q. How many shots in all do you think were fired?—A. I can't tell.

Q. Would there be 25?—A. More than that I think; perhaps 50.

Q. Now, there were other parties shot besides this Italian you saw fall?—A. Yes.

Q. Did you see any other people after the shooting was over?—A. I saw the fellow they called "Kris" through the window lying on a table.

Q. How many people do you think were in the street at the time they started the shooting?—A. Between two and three hundred.

Q. About what time of day was this?—A. About 3.30 or 4 o'clock.

Q. Were there any children in the street?—A. Yes. They were just coming out of school up the street.

Q. After the shooting was over, did you notice which way the guards went?—A. I don't know. I went in the house.

Q. After the first shot was fired and you saw this Italian fall, you went into the house?—A. Yes, sir.

Q. You were not on the street after that until it was all over?—A. After it was all over.

#### EVIDENCE OF MR. ROMAROVSKY

Q. How old are you?—A. Seventeen.

Q. How long have you lived in Walsenburg?—A. Four years.

Q. Where were you on October 24 when the shooting took place on Seventh Street?—A. I was down there where the shooting was.

Q. What were you doing on Seventh Street at that time?—A. I live on Seventh Street.

Q. Where were you when the shooting took place?—A. I was standing in front of the colored fellow's house on Seventh Street.

Q. Did you see anybody shooting?—A. Yes; I saw the guards shooting.

Q. Do you know any of the guards who done the shooting?—A. Yes; I know Jess Russell.

Q. Did you see Jess Russell shoot anybody?—A. Yes; he shot at me; and I lay down and he shot through my cap and hit the Finlander in the stomach and killed him.

Q. There was quite a lot of people around there at the time, were there not?—A. Yes; I think there was about two hundred.

Q. Were there any children on the street at the time?—A. Yes; school was just let out.

Q. Did you see anybody do any shooting besides the guards?—A. No.

Q. Did you see anybody have any guns besides the guards?—A. No.

Q. How did you come to be down there at that particular time of day?—A. I was down town and I saw the guards going up Seventh Street and somebody said they were going to move some scabs, so I went up Seventh Street to see them move the scabs.

Q. Did you see them moving the scabs?—A. Yes; the stuff was all loaded on the wagons when I got there and they started out.

Q. You say, started out; where were the teams when you saw them?—A. They were in the yard back of the house; they were all loaded and were just starting out.

Q. And you saw the teams pulling out of the yard back of the house and they came through the alley into the cross street and out onto Seventh Street?—A. Yes.

Q. Where were the teams when you saw the first shot fired?—A. They were coming down the street and the guards were following in back of them.

Q. Did you see anybody throwing stones or tin cans or anything else at the guards?—A. No.

Q. You say that Jess Russell shot through your hat and the bullet hit the Finlander; did you see him shoot more than once?—A. Yes; he shot at me about four times.

Q. Was Russell on foot or on horseback?—A. He was on foot.

Q. Did you see this Finlander after the shooting was over?—A. Yes.

Q. How many times was he shot?—A. Twice.

Q. Did you see any other men that were shot?—A. Yes; I saw an Italian who was shot through the head.

Q. Was he dead?—A. Yes.

Q. Did you see anybody else besides the Italian?—A. Yes; I saw a Slav who was shot and died next day.

Q. Did you see any others?—A. Yes; I saw a man who was shot through both feet.

#### EVIDENCE OF FRED HENNEY.

Q. Where do you live?—A. Walsenburg.

Q. How long have you lived in Walsenburg?—A. I lived here for two years this last time.

Q. Were you in Walsenburg on the 24th of October, 1918, the day the guards did the shooting on Seventh Street?—A. Yes.

Q. Did you see the shooting?—A. Yes.

Q. Where were you at the time the shooting took place?—A. Right across the street from where they were moving out the furniture.

Q. What were you doing there at that time?—A. I was at my own place of business.

Q. What business are you in?—A. Butcher business.

Q. And from your place of business you could see what was going on across the street?—A. Yes.

Q. Tell the committee in your own way what you saw.—A. When the wagons came out of the side street on to Seventh Street there was a lot of children there, and they began to cheer and holler "scab" and throw bits of dirt at the wagons.

Q. Did you see anybody shoot?—A. Yes; I saw Jess Russell come around the corner of Mrs. Richards's house and fire into the crowd, and I saw the Italian fall down on the sidewalk.

Q. Was Jess Russell the only man you saw using a gun?—A. No; I saw all the guards firing.

Q. Did you see anybody else using a gun besides the guards?—A. No.

Q. Was the fact that the children were tantalizing the guards the only provocation they had to shoot?—A. Yes.

Q. Where were you when they were loading the furniture on the wagons?—A. I was standing in front of the house where they were taking the furniture out of.

Q. From where you stood could you see into the back yard where they were loading the furniture?—A. Yes.

Q. Did you see any guards back there?—A. Yes; and Albert who owns the property ordered them out of the yard.

Q. Did you hear him ordering them out of the yard?—A. Yes.

Q. Where did they go then?—A. Just out of the yard in the alley.

Q. How many teams were there?—A. I only saw them loading one team.

Q. Did you see the team when it started to move out of the yard?—A. Yes. That was the time I moved back to my shop again.

Q. Did you see anybody try to stop the teams?—A. No.

Q. And you say that when the teams were turning the corner into Seventh Street you saw Jess Russell shoot into the crowd?—A. Yes.

Q. Was he on horseback or on foot?—A. On foot.

Q. You know Jess Russell when you see him?—A. Yes.



Q. Were there many people on the street at the time?—A. Yes; there was between three and four hundred—perhaps five hundred.

Q. And a great number of these were children, were they not?—A. Yes; the school was just let out and there was all kinds of children and women in the street.

Q. How many guards do you think were there?—A. I don't know. There must have been between 15 and 20—perhaps more.

Q. How many shots do you think were fired?—A. I don't know; perhaps between fifty and a hundred. I done some soldiering myself, and in fast shooting three or four men are liable to fire at the same time.

Q. Did you notice which way the guards went after the shooting?—A. No. I went over where the dead men were and did not see where the guards went.

#### EVIDENCE OF WILLIAM PROFFITT.

Q. How old are you?—A. Twenty-eight.

Q. Are you a resident of Walsenburg?—A. Yes.

Q. Was you in Walsenburg on October 24 when the shooting took place on Seventh Street?—A. Yes.

Q. What do you know about that shooting, just tell it in your own way.—A. (The witness here tells a well-connected story of how he and two others, Charley Dorte and a man who went by the name of "Alick," a Slav, saw about 20 guards moving through the town shortly after midday and out of curiosity followed them until they finally reached Seventh Street).

Q. About what time in the day would that be?—A. Between 3 and 4 o'clock.

Q. How do you know it was between 3 and 4 o'clock?—A. As I remember, the school children were let out of school just at that time.

Q. Was there many people on the street at that time?—A. Yes; quite a crowd.

Q. Did any of this crowd outside of the guards you have spoken of have any guns?—A. No.

Q. Did you see any men throw stones or anything else at the guards?—A. No.

Q. There was quite a lot of women there was there not?—A. Yes.

Q. Did you see the women throwing anything at the guards?—A. I saw a woman in the yard next to where they were loading the furniture pick up some pieces of nut coal and toss it over the fence at the mules.

Q. Where was you standing when you heard the first shot?—A. I was on the corner of Seventh Street and in front of Simon's house.

Q. Did you see the first shot fired?—A. No. I only heard it.

Q. What did you do then?—A. I turned and looked in the direction from which I heard the shot fired and I saw a man raise his gun and fire. After he fired he ran down the street and shouted, "line up boys," and the guards ran around and down by him, leaving him at the rear of the line. Then he raised his gun and fired again and shot a man who was standing in front of Fred Richard's house.

Q. Do you know what this man's name is who you saw shoot this man in front of the Richard's house?—A. No.

Q. Can you describe him to the committee?—A. Yes; he had on a gray sweater coat and wore a large mustache.

Q. How many shots in all do you think was fired?—A. I should judge between 25 or 30 shots.

Q. Was there anybody else shot besides this man you refer to?—A. Yes. There was three other shot.

Q. After the guards stopped firing, what did you do then?—A. I started to cross the street to where the man lay who was shot in front of Richard's house. "Shorty" Martinez was coming out of the side street on horseback. He was apparently trying to get his gun back into his scabbard, and he said, "Now see," with a sarcastic grin on his face.

Q. What did you say to him?—A. Yes; but they didn't none of them fellows have any guns, and he said, "no."

Q. What did you do then?—A. I went over and looked at the man who was shot.

Q. Was he dead when you got there?—A. No.

Q. What did you do with this man?—A. I didn't do anything. I went on down the street to where there was an Italian laying on the street dead.

Q. Was this all the dead men you saw?—A. Yes.

Q. Was there anybody else shot during that time do you know?—A. Yes. Mr. Youst was shot through the neck, but I did not see him.

Q. Was there any others?—A. Yes; there was a Slav shot through the neck, but I did not see him.

Q. You mentioned that school was let out about that time. Was there any school children on the street when the firing was going on?—A. Yes; all the school children were out on the street at the time.

## DOYLE EXHIBIT NO. 2.

*Membership from ledger of district No. 15, U. M. W. A., Nov. 20, 1914.*

## Subdistrict No. 1:

## Local Union No.—

84, Superior, Colo.....	72
1388, Lafayette.....	290
1668, Louisville.....	451
2483, Gorham.....	130
3045, Layden.....	62

1, 005

## Subdistrict No. 2:

## Local Union No.—

2409, Coal Creek.....	196. 5
2546, Brookside.....	157
2850, Prospect Heights.....	120
2868, Rockvale.....	351
3002, Williamsburg.....	194
3022, Florence.....	113. 5

1, 132

## Subdistrict No. 3:

## Local Union No.—

423, Walsenburg.....	73
2884, Walsenburg.....	249
2891, Soller.....	213
3001, Maitland.....	53
3012, Toltec.....	80
3013, Shumway.....	58
3016, Ideal mine.....	200
3017, Strong.....	95
3018, Ojo.....	164
3020, Lester.....	89
3034, Tioga.....	178
3025, Black Cannon.....	80
3038, La Veta.....	70
3053, Tioga.....	97. 5

1, 690

## Subdistrict No. 4:

## Local Union No.—

406, Forbes.....	27
2060, Aguilar.....	346
2372, Trinidad.....	280
3003, Rugby.....	64
3004, Segundo.....	159
3005, Segundo.....	118
3007, Starkville.....	270
3008, Cokedale.....	167
3009, Ludlow.....	300
3010, Bowen and Suffield.....	285
3011, Tercio.....	38
3014, Piedmont.....	127
3015, Sopris.....	133
3033, Wootton.....	
3034, Grey Creek.....	56
3035, Rugby.....	138
3044, Raton.....	124

2, 632

# 7344 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

## Subdistrict No. 5:

### Local Union No.—

1772, Palisades	44
3050, Baldwin	38
3028, New Castle	86
3052, Glenwood Springs	60
3256, Crested Butte	339

587

## Subdistrict No. 8:

### Local Union No.—

1662, Curtis	125
2170, Roswell	28
3061, Roswell	62

215

## Subdistrict No. 9:

### Local Union No.—

995, Puritan	34
1417, Erie	71
2753, Frederick	158
2502, Dacona	18

281

## Subdistrict No. 10:

### Local Union No.—

2885, Oak Creek	324
3038, Junction City	42

366

7,917

## DOYLE EXHIBIT NO. 3.

(In pencil:) DENVER, COLO., December 16, 1913.

Whereas the Colorado State Federation of Labor, now in convention assembled in Denver, consisting of over 500 delegates, representing the allied bodies of working people in every section of the State, has been called for the purpose of considering the strike of the Colorado coal miners, and for the purpose of considering the conduct of the militia and their officers, and those responsible for such conduct; and

Whereas the convention has made a careful investigation into the said matters for which it was called to assemble; and

Whereas it is deemed advisable to publish to the people a declaration of the grievances to which said coal miners and their families, and those who sympathize with them in their efforts to better their conditions of life and to obtain greater safety in their work, have been submitted, and to adopt resolutions touching the said situation as it has existed and now exists; therefore, It is hereby declared by the convention, after a careful review of the whole situation, as follows:

First. That the working people of the State of Colorado, without regard to the particular branch of industry in which they are engaged, indorse in the most emphatic and earnest manner, the calling of the coal miners' strike. They hereby pledge to the said striking miners their most earnest, hearty, loyal, and unfaltering support, both morally and financially, in the great struggle in which they are engaged. The working people of this State recognize that the contest of any branch of labor to better its condition is the contest of every workman, and the convention now assembled assures said coal miners that the whole body of the working people of this State stands shoulder to shoulder and man to man with them in the contest in which they are engaged, and will so stand with them until said strike is settled upon honorable and fair terms satisfactory to said miners, no matter how long it may last. The convention sends to the miners in their tents and colonies throughout the State, and to their wives and children, the message to be of good cheer, and to remember that they do not stand alone. The convention bids them to remember, in the face of persecution, that no such cause has ever triumphed without martyrdom. It bids them to bear in mind that they have back of them the unbounded admiration, love, and appreciation of other work-

ers throughout this Nation. It bids them bear in mind that the persecutions practiced upon them so long, first by the coal operators and then by the military satraps, can not go on much longer. Already a brighter day is dawning, and soon the entire State and Nation will shout in unison that their demands may be granted. Martyrdom for such a cause is glorious. Persecution only hastens the day of triumph.

Second. The working people of this State, through their hundreds of delegates now assembled, resent in the most emphatic terms the statements, so industriously circulated by the coal operators and those ignorant of the true conditions, that the strike of the coal miners was brought about through the efforts of so-called agitators, and did not represent the real wishes of the miners themselves. The facts shown by our investigation are that the miners themselves were unanimous in their demand that a strike be called. Week after week, and month after month, for a long time preceding the strike, the men who work underground, pressed upon their local district, State, and national officers their demands that a strike be called, until the pressure became so great that it could no longer be resisted. The men who work underground, those who take their lives in their hands every day and go down into the mines, never knowing but what they have gazed for the last time into the faces of their wives and children, declared that conditions were intolerable.

The mine owners were defying the laws of the State, passed to prevent mines from being mere death traps. The mine owners were continually and constantly cheating their men out of their just wages by giving them false weights on coal.

The mine owners were defying the law which provides for a checkweighman. They were discharging men who undertook to insist upon the enforcement of this law.

The mine owners were violating the law requiring that there be no discrimination against men who join unions. Banded together themselves, they denied the right of the workman to organize for his own benefit. They rightly argued that with a strong union organization the miners would be in a position where they could make demands and not have to crawl before their employers like serfs, slaves, and peons.

The mine owners were robbing their men through the guise of company stores, at which they were given to understand they must trade in order to hold their places.

The mine owners were using the iniquitous scrip system.

The mine owners, in many instances, controlled the county and precinct officers, for the express purpose of preventing an aggrieved miner from getting justice. Not a single coroner's jury in Huerfano or Las Animas County has for many, many years passed the slightest criticism upon a mine owner, no matter how terrible and shocking was the carelessness which caused explosions in which hundreds of lives were snuffed out. To elect officials who would do their bidding, corruption, bribing, and bulldozing of the most terrible sort have been effectively resorted to by operators and their agents.

The mine owners have at all times had under their command, to do their bidding, large numbers of men hired, paid, owned, and controlled by the mine owners, who were commissioned as deputy sheriffs. Thus, under the guise of law, the mine owner could have arrested a miner, have him carried before and convicted by a justice of the peace, who was another tool of the operator, and have him thrown into jail, in the custody of a brutal jailer, still another tool of the operators.

The Colorado mine owners refused their men a living wage. They continually refused to pay them the wages which the operators in our sister State of Wyoming were glad to pay, while, at the same time, they were, by their combinations in violation of law, continually raising the price of coal on the people of Colorado.

Little wonder that the miners demanded that a strike be called. The great wonder is that a strike was not called earlier. It should not be forgotten, also, that no strike was called until repeated efforts were unavailingly made for a conference with the operators. Like the overlords and feudal barons of old, the coal operators took the position that it was beneath their dignity to have any conference. Patiently and forbearingly and courteously the union officials repeatedly asked for a conference, but none was granted, and then, as a last resort, after many weeks, when the demands of the miners could no longer be denied, the strike was called. To such a strike, forced upon us by the haughty, tyrannical, and overbearing conduct of capital, the workmen of Colorado pledge the support of themselves, their lives, and their property.

The convention expresses to Messrs. White, Hayes, Green, Lawson, McLennan, Doyle, and other officers and leaders of the United Mine Workers of America, their unbounded confidence in the work they are doing to support the striking miners, and return thanks to Almighty God that there are such men in the ranks of the working people. The convention bids them to remember that Wendall Phillips, Charles Sumner, John Brown, and many other men to whom the American people are now building monuments, were, in their day and time, classed as undesirable agitators. The officers of the United Mine Workers of America are men who know the coal-mining business from top to bottom. They have been selected by the miners as their representatives because they are men of sobriety, industry, energy, intelligence, and loyalty to their brother workmen. It is an insult to common decency and to every workingman in the United States for an employer to say that he will have no conference with such men, and this convention now goes on record that it is its judgment that unless a conference is granted the strike should continue as long as a workingman is left alive in this country.

Third. The convention has carefully reviewed and considered the course of the militia sent by Gov. Ammons to Huerfano and Las Animas Counties. It finds and declares:

1. That the constitution of Colorado expressly provides that the "military shall always be in strict subordination to the civil power."

The courts of Huerfano and Las Animas Counties have been open and actively engaged in the trial of cases, unimpeded and uninterrupted. Yet, John Chase, the commanding officer of the militia, had no sooner reached those counties with his militia, than he declared that martial law was to prevail, and that his arbitrary will was to supersede all law and all courts. Thomas Jefferson, in the famous Declaration of Independence, wrote that one of the greatest grievances of the colonies was that the King of England had attempted to subordinate the civil to the military power. Chase and Maj. Boughton, both of them Peabody appointees and tools of the mine owners of the Cripple Creek days of deportation, formally published an announcement that they had formed a military court which would try and execute striking miners without judge, jury, or counsel. They hoped thus to terrify the strikers into going back to work. That they knew they had no such power, and that they were acting in violation of all decency and law, is conclusively shown by the fact that although this drumhead court was formed weeks ago, Chase and Boughton have not had the courage to dare to put a single man on trial. The convention puts itself on record as believing that the military officers only desisted from their purpose to try men without judge, jury, or counsel by the fear of the terrible retaliation that would follow such a course. The working people of Colorado are peaceful and law-abiding, but if a workingman is ever tried and executed in this State by military commission when the courts are open and unimpeded, then other lynching parties are liable to be formed. If this be treason, let the coal operators make the most of it.

Thwarted in their desire to execute miners without judge or jury, Chase and Boughton have, since the first day they went to Huerfano and Las Animas Counties, violated and trampled upon every constitutional right guaranteed to the people of this country. They have arrested and confined men in prison for many weeks at a time on no charge whatever, and have defied the civil authorities and courts to release them.

They have beaten and maltreated the men, kept them awake at night, starved them, and sought by torture to make them confess to some crime, promising them rewards if they would make some statement derogatory to the officials of the union.

One of the instances of torture was the case of a striking miner, who was set to digging his own grave with the statement by the militia that he would be shot at daybreak.

They have used the militia, not for lawful purposes, but for the purpose of breaking the strike. They have acted as escorts in the bringing of nonunion men into the State and into the mines.

They have recruited the militia from the ranks of desperate and wicked mine guards and private detectives.

They have acted as press agents for the coal operators.

Their militia has robbed and stolen from the houses of the miners, and from the persons of their prisoners.

Not content with making war on the miners, they have insulted and imprisoned women.

They have violated the United States mailing law, and have opened and read the letters of union men.

Chase and Boughton have held men incommunicado for weeks, in violation of all law and decency, denying them the right to see any member of their families or their attorney. This was not done even in the days of Peabodyism. It was not done even in barbarous West Virginia. It was not done even in the Civil War, when the country was in the throes of a national rebellion. It remained for this system of military tyranny to be inaugurated in Colorado under the Democratic administration of Gov. Elias M. Ammons.

They have violated the sanctity of the homes of the miners.

Chase and Boughton have attempted to abridge the freedom of speech, although both the Constitution of the United States and the State of Colorado forbid the freedom of speech being abridged.

They have violated the Constitution of the United States and the constitution of the State of Colorado in that they have made unreasonable searches and seizures and arrests without warrant and without probable cause.

They have trampled under foot the statement in the constitution of Colorado that courts of justice shall be open to every person and that right and justice shall be administered without sale, denial, or delay.

They have violated the fundamental principle of liberty and constitutional right that every man's home shall be his castle, and have intruded themselves into the homes and by the firesides of the miners and have insulted and reviled them and their wives and children.

They have published fictitious and forged confessions for the purpose of prejudicing the public against the miners.

They have been petty tyrants and mere tools and lick-spittles for the mine owners.

These and many other outrages too numerous to mention have been committed by the military despots, who have been allowed to usurp power and trample upon every right secured by the constitution.

This convention declares now and gives fair warning in the name of the millions of American workingmen that these things will no longer be tolerated. No surer or more certain course can be followed if it is desired to turn workmen into anarchists.

We call upon the great body of Americans to not drive workmen into the ranks of the anarchists. The law was not made simply for the rich. There is not a man who will read this declaration but knows that if Osgood, Brown, and Rockefeller, who are fighting the strikers with a malignity hitherto unknown in American history, were arrested that they would not be held incommunicado or denied counsel. Can any fair-minded man blame us for bitterness when the laborer is thus, by the officers of the law, denied the rights granted to the rich? We have no quarrel with the rich man and we seek to prejudice no one against him. We do, however, demand for the laborer every privilege before the law which the rich man has. We frankly avow our intention to get those rights for laboring men. We intend to get them lawfully if we can.

Again, we say, if this be treason, let the coal-mine operators make the most of it.

#### GOVE EXHIBIT NO. 1.

[Denver, Dec. 3, 1914. The Victor-American Fuel Co.]

#### Wage scale, Colorado miners.

Timbermen.....	per day of 8 hours.....	\$3. 12
Tracklayer.....	do.....	3. 12
Trappers.....	do.....	1. 32
Bottom cager.....	do.....	3. 52
Driver.....	do.....	3. 08
Trip rider.....	do.....	3. 08
Shot firer.....	do.....	3. 24
Fire boss.....	do.....	4. 60
Motorman.....	do.....	3. 08
Pumpman, inside.....	do.....	3. 00
Machinist.....	per day of 9 hours.....	4. 60
Blacksmith.....	do.....	3. 51
Carpenters.....	do.....	3. 78
Engineer.....	do.....	4. 00

## MINING PRICE.

Gray Creek	per ton of 2,000 pounds mine run	\$0.55
Hastings	do	.55
Delagua	do	.55
Bowen	do	.55
Maitland	do	.75
Ravenwood	do	.95
Chandler	do	.90
Radiant	do	.90

Bonus is paid all miners and loaders of 1 cent per ton for every 1 per cent increase in lump coal produced over 62 per cent at Chandler and 73 per cent at Radiant.

## GOVE EXHIBIT NO. 2.

[The Victor-American Fuel Co.]

Date employed.	Name.	Identification No.	Age.	Nationality.	Married or single.	Family.
1911.						
Aug. 3	Jim Treygarj.....	1807	26	Greek	M	Wife in Greece.
3	John Pavich.....	1808	38	Austrian	M	Wife and 2 children, old country.
3	Francisco Zavala.....	1809		Mexican	S	
3	Refugio Zavala.....	1818		do	M	Wife in Mexico.
3	Jake Smith.....	1809	53	American	S	
3	Recardo Sanchez.....	1706		Mexican	S	
3	Estanlida Fabold.....	1707		do	M	10 children in Mexico.
4	Stardos Mines.....	1803	32	Greek	M	4 children, old country.
4	Avanades Cocoles.....	1844	27	do	M	2 children, old country.
4	Carlos Gusman.....	1836	25	Mexican	M	
4	Jose la Lopes.....	1819	44	do	M	2 children, Mexico.
4	Silviano Sanchez.....	1823	35	do	M	1 child, Mexico.
4	Schein Valentine.....	145	29	Slavish	S	
4	Tony Storr.....	257	23	do	S	
4	Paul Versil.....	1843	36	do	S	
4	Anton Fincio.....	1846	30	do	M	1 child, Delagua.
4	Max Fincio.....	1850	27	do	S	
4	Met Brutor.....	1860	32	do	S	
4	Nick Sumich.....	1734	27	Montenegro	M	1 child, old country.
4	Mike Sumich.....	1739	25	do	S	
4	Erry Jamile.....	1863	22	Italian	M	2 children, Delagua.
4	Paul Darp.....	1864	22	do	S	
4	Leo Yourr.....	1873	28	Greek	M	2 in family, old country.
4	Kamir Tryanar.....	1748	38	do	S	
4	Maes Bouglas.....	1921		do	S	
7	J. Madden.....	1934	45	Colored	S	
7	Pete Livano.....	311	25	Greek	S	
7	George Kintomanic.....	312	29	do	M	4 in family, old country.
7	John Bihaki.....	313	35	do	S	
7	Harry Ballae.....	316	39	do	M	4 in family, Dawson, N. Me
7	Charles Pappas.....	1701	36	do	M	3 in family, Greece.
7	T. Zavala.....	1748	40	do	M	5 in family, Mexico.
7	G. W. Wiegims.....	1640	35	Russian	S	
7	Hil Matas.....	1900	22	Greek	S	
7	Jon Lagratos.....	1737	26	do	S	
7	Gost Strogil.....	104	25	do	M	4 in family, Greece.
8	Tony Yugo.....	573	30	Slavish	M	3 in family, old country.
8	Angelo Sinyisni.....	1402	42	Italian	M	8 in family, Italy.
8	Ferdinand Sorcick.....	125	34	Slavish	M	6 in family, Delagua.
8	Tom Pacivek.....	126	26	do	S	
8	Par Felipe.....	1628	33	Italian	S	
8	Falozna Huafford.....	1406	31	Colored	M	
8	Abe Davies.....	126	26	Welsh	S	
8	Pete Livano.....	1885	25	Greek	S	
9	Gior Kintomanay.....	1888	29	do	M	4 in family, Greece.
9	Bud Tollmer.....	1604	37	Colored	M	2 in family, Delagua.
9	H. Hara.....	1739	45	Japanese	M	3 in family, Japan.
9	M. Bratovich.....	1422	20	Slavish	S	
9	Mike Zinic.....	1426	24	do	S	
9	Mark Guzick.....	1627	35	do	S	
9	Max Chetkovich.....	1611	22	do	S	
9	Lui J. Fillipe.....	1730	22	Italian	S	

## GOVE EXHIBIT NO. 3.

[The Victor-American Fuel Co.]

Date employed.	Name.	Identification No.	Age.	Nationality.	Married or single.	Family.	Date left.
1913.							1913.
Mar. 24	Tokichi Arakum	572	30	Japanese	S.		
Apr. 18	Mike Andick	564	28	Austrian	M.	Parent dead	May 30
22	Jesus Aguirre	158	36	Mexican	S.		
June 2	Steve Asom	810	23	Slavish	S.		Aug. 26
13	Thomas Astoma	1463	29	Italian	M.	Wife in Locuisa, Halz.	
6	John Ansom	1385	33	Austrian	S.		June 30
7	Livereta Aliberta	1725	23	Italian	S.		
July 8	Ofreda Alvarado	175	33	Mexican	M.	Wife and child, Mexico.	
10	Jim Angelo	341	22	Greek	S.		
14	Leandre Allala	1911	25	Mexican	M.	Wife in Mexico.	
17	Anton Andreak		23	Greek	S.		
30	Lizol Andrewlake	1920	23	do	S.		
Aug. 4	Victoriano Asbedo	121	25	Mexican	M.	Wife in Las Animas, Colo.	
23	Manuel Archulota		21	do	S.		
Sept. 15	Rakagi R. Akagi	1490	58	Japanese	S.		
10	Francisco Albi		19	Italian	M.	Wife in Gramalbi	
5	Anzellotti Gante	1166	34	do	M.	Wife and 4 children, Raccajall.	
Mar. 27	J. Vasquez	1626	24	Mexican	S.		Apr. 14
23	Ernest Valletti	1649	29	French	S.		July 11
25	Lios Valetti	1844	27	Italian	S.		May 13
Apr. 5	Dom Verocelli	1829	26	do	S.		June 30
10	Lee Weaver		36	Colored	M.		June 7
	Wm. Wilkins		19	Polish	S.		May 7
May 6	Jose Vega	1424	30	Mexican	S.		
	Jim Voronos		24	Greek	S.		
June 1	Adolp Valdez	1486	23	Mexican	S.		
	Tom Wilcock	1510	47	English	M.	Wife in Delagua	Aug. 27
July 7	Sisete Valdirra	1474	23	Mexican	M.	Wife in Leon, Mexico	
9	L. Valdez	163	49	do	S.		
8	Dolores Valesque	173	27	do	S.	Wife in Mexico	
10	M. Valdez	1660	42	do	S.		
16	Dald Williams		50	Welsh	M.	Wife and 1 child in Trinidad.	
17	Nedifonso Vasquez	1649		Mexican	S.		
21	Felipe Vasquez	1917	25	do	S.		
24	George Veso	1824	25	Greek	S.		Aug. 16
29	J. Wilson	647	26	American	S.		Aug. 1
Aug. 2	Pablo Valdes	1440	52	Mexican	M.	Wife in Trinidad	

## GOVE EXHIBIT NO. 4.

[The Victor-American Fuel Co.]

Date employed.	Name.	Identification No.	Age.	Nationality.	Married or single.	Family.
1914.						
Sept. 21	Joe Tomoich	319	25	Slavish	S.	
22	W. L. Mitchell	608	35	American	M.	Wife and 1 child, Ravenwood.
23	Jim Makrogin	329	28	Greek	M.	Wife in Greece.
24	Minitti Giovani	223	27	Italian	M.	Wife in Italy.
24	Pellarin Franch	224	24	do	S.	
25	Delfino Hernandez	1651	21	Mexican	S.	
25	Tomas Perez	1652	35	do	S.	
25	Raymond Gonzales	637	24	do	M.	Wife and 2 children, Segundo.
25	S. Guirrerro	255	22	do	M.	Wife, Delagua.
25	Y. L. Guirrerro	256	25	do	M.	Wife and 1 child, Mexico.
25	R. Hernandez	266	28	do	M.	Wife and 2 children, Mexico.
25	Valentine Vallegos	267	25	do	S.	
25	E. Espinosa	268	25	do	S.	
25	Geo. Pavlovik	1662	29	Slavish	M.	Wife in Pueblo, Colo.
25	Anton Tomcie	1673	23	do	S.	
25	John Pavlovic	1675	33	do	M.	Wife in Austria.
25	Frank Pavlovic	1677	23	do	S.	
25	Domingo Sebalo	272	22	Mexican	S.	
25	Glanio Simniga	273	35	do	M.	Wife and 2 children, Mexico.
25	Jesus Salvaio	281	38	do	M.	Wife and 5 children, Mexico.
25	Eladio Caballero	282	30	do	S.	
25	L. Guirrerro	263	21	do	S.	



## 7350 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

Gove exhibit No. 4—Continued.

Date employed.	Name.	Identification No.	Age.	Nationality.	Married or single.	Family.
1914.						
Sept. 30	Steve Yuryoc.....	1436	20	Slavish.....	S.....	
30	Steve Gajaca.....	144	22	do.....	S.....	
30	Theo Pacifrek.....	602	30	Polish.....	S.....	
Oct. 1	Selso Oocosta.....	1446	25	Mexican.....	S.....	
1	John Velles.....	726	32	Slavish.....	M.....	Wife and 4 children, Clarkville, W. Va.
1	Mike Zonole.....	726	43	do.....	M.....	Wife and 3 children, Clarkville, W. Va.
1	Lucas Ruiz.....	720	18	Mexican.....	S.....	
1	Frank Garcia.....	801	39	do.....	M.....	
4	Matt Shaler.....	234	37	Slavish.....	S.....	
4	Casper Vidich.....	237	47	do.....	S.....	Wife and 3 children, Austria.
4	Jose Garcia.....	253	20	Mexican.....	S.....	
6	Ignacio Gurrara.....	250	25	do.....	M.....	Wife and 1 child, Mexico.
7	Joe Yankovich.....	284	30	Slavish.....	M.....	Wife and 3 children, Telluride, Colo.
8	Steve Sliskovich.....	1425	29	do.....	M.....	Wife and 2 children, Austria.
8	Gust Pappas.....	745	25	Greek.....	S.....	
8	Cristion Pena.....	265	25	Mexican.....	S.....	
8	Fernanda Pena.....	260	32	do.....	S.....	
8	Agencia Romero.....	1409	26	do.....	M.....	Wife and 2 children, old Mexico.
8	Pedro Rollez.....	1416	24	do.....	M.....	Wife and 4 children, old Mexico.
8	Seferino Gallardo.....		22	do.....	M.....	Wife and 1 child, old Mexico.
8	Paul P. Sedar.....	272	23	Slavish.....	M.....	Wife, Toole, Utah.
8	Matt Sedar.....	273	26	do.....	M.....	Wife, Kansas City, Mo.
8	Joseph Medlask.....	1442	25	Polish.....	S.....	
12	Salvadio Favattiz.....	4	17	Italian.....	S.....	
12	Paolo Cagliola.....	5	25	do.....	S.....	
12	John Abran.....	763	22	Colored.....	M.....	Wife, Pensacola, Fla.
13	Paul Cocic.....	1456	23	Slavish.....	S.....	
13	John Morris.....	629	31	Colored.....	M.....	Wife in Missouri.
13	Pearl Brown.....	728	24	do.....	S.....	
13	A. H. Rogers.....	605	31	American.....	S.....	
14	Jimis Protopenpos.....	294	24	Greek.....	S.....	
14	Tom Frangios.....	295	21	do.....	S.....	
14	Richard Tanche.....	735	20	German.....	S.....	
14	Karl Tanche.....	736	21	do.....	S.....	
14	Frank Costa.....	296	23	Italian.....	M.....	Wife in Tobasco.
14	Joe Ortez.....	1446	23	Mexican.....	M.....	Wife, Primero.
14	Seferino Gallardo.....	1451	22	Italian.....	M.....	Wife, 1 child, old country.
15	Anastase Thiros.....	236	29	Greek.....	M.....	Wife, 1 child, Greece.

## GOVE EXHIBIT NO. 5.

[V. A. M. 12202.]

A FLASK TO CARRY POWDER INTO MINE.

[Vice president and general manager.]

DENVER, February 11, 1913.

Mr. B. W. SNODGRASS,  
Superintendent, Delagua, Colo.

DEAR SIR: As you know we have succeeded in getting a flask manufactured to carry permissible powder into the mine. I understand that at some of our mines most of the men carry the powder into the mine in gunny sacks and other careless manners. I think you ought to do what you can to induce the men to get these flasks, which we had made for this purpose. They are inexpensive and I think they will last a long time with the proper amount of care, therefore, I would be very much obliged to you to take this matter up fully before the men.

Yours, truly,

W. J. MURRAY.

(Above letter also to Gray Creek, Hastings, Bowen.)

[V. A. M. 12276.]

## RECOMMENDATION FROM MINE INSPECTOR.

[Vice president and general manager.]

DENVER, February 19, 1913.

Mr. G. H. WILLIAMS,  
Superintendent, Radiant, Colo.

DEAR SIR: Herewith a letter which I received from the State mine inspector this morning which explains itself. You notice he speaks about some naked wires in the first right main entry. Will you kindly inform me whether this is a feed wire or return wire. He also speaks of putting in a telephone. I was under the impression that we had a telephone in the mine; however, if we have not, make the requisitions necessary to put one in from the engine house to the foot of the slope.

Return Mr. Dalrymple's letter with the information I have asked.

Yours, truly,

W. J. MURRAY.

[V. A. M. 12320.]

## TRYING THE FIREPROOF MATERIAL.

[Vice president and general manager.]

DENVER, February 25, 1913.

Mr. B. W. SNODGRASS,  
Superintendent, Delagua, Colo.

DEAR SIR: I am in receipt of a letter from W. F. Murray, explaining his method of testing the fireproof paint, and I am somewhat favorable to using it for shelving for the adobe dust and, as recommended by him, I am very much in favor of building a door, treating the lumber as he treated some in an experiment. There is hardly anything that will not burn if it is held in a fire long enough, for it seems to me that it would be a hard thing to get a very disastrous fire from lumber treated as he treated the experiment. It might be that you would have to build some kind of a trough, water-tight, and soak the boards in it before you build the door. I would like to have you try this anyway.

Yours, truly,

W. J. MURRAY.

[The Victor-American Fuel Co. Office of vice president and general manager. Circular No. 157.]

## To all superintendents:

At any time in the future when you have any of your employees arrested for violating the statutes or the rules of the company, you will make a notation of such arrests and the punishment they received on the monthly operator's report to the State mine inspector, which is forwarded to this office each month.

Kindly acknowledge receipt of this circular.

W. J. MURRAY,  
Vice President and General Manager.

DENVER, COLO., July 1, 1912.

[The Victor-American Fuel Co. Office of vice president and general manager. Circular No. 162.]

## To all superintendents:

As you know, we have had a very slow period the last three or four months and the indications for business at present are good. I want you to do everything you possibly can to increase your production so that we may, as the old saying goes, "Make hay while the sun shines." I want you, however, first, to watch the safety of your men, and under no circumstances allow your anxiety to get out coal make you forget to watch the safety of the men in your employ.

Kindly acknowledge receipt of this circular.

W. J. MURRAY,  
Vice President and General Manager.

DENVER, COLO., October 2, 1912.

## 7352 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

[The Victor-American Fuel Co. Office of vice president and general manager. Circular No. 163.]

### *To all superintendents:*

There has been instructions sent out from this office and verbal instructions given repeatedly that no rooms can be turned off an entry inside of the last crosscut; notwithstanding that, it is being done. This positively must be stopped, and you will be held personally responsible for any violation of this in the future.

Kindly acknowledge receipt of this circular.

W. J. MURRAY,  
*Vice President and General Manager.*

DENVER, COLO., October 16, 1912.

---

[The Victor-American Fuel Co. Office of vice president and general manager. Circular No. 165.]

### *To all superintendents:*

In case it becomes necessary at your mine at any time to carry canvas from the last crosscut to the face of any entry under no circumstances must canvas be put up where there is rock, slate, or other material piled along the rib until after all such rock and slate has been removed, and when canvas is carried from the crosscut to the face there must be as much area for the air to travel as possible.

Kindly acknowledge receipt of this circular.

W. J. MURRAY,  
*Vice President and General Manager.*

DENVER, COLO., November 22, 1912.

---

[The Victor-American Fuel Co. Office of vice president and general manager. Circular No. 177.]

### *To all superintendents:*

I am attaching herewith a blue print showing a method I want you to adopt to prevent the cars from running over the end of the rails in all dip places in your mine. This is not original with me, as I have seen it worked years ago, and if this prop is kept across the track in the manner it is shown on the blue print it will, I am sure, prevent accidents of the kind we have had in the last few months. We have had two serious accidents from the cars running over the end of the rails, in one case breaking a man's leg, and in the other case injuring one of the men so badly that he died a few hours later. There can be no such accidents as this happen if you insist on the mine boss compelling the men to use this method of blocking. Should I happen to visit any place in your mine that is going to the dip and find the cars without a block of this description, or if anything happens without this block being in use, I will hold you and the mine boss strictly responsible. Accidents of this nature can be prevented, and they must be.

Acknowledge receipt of this circular.

W. J. MURRAY,  
*Vice President and General Manager.*

DENVER, COLO., April 15, 1914.

---

[The Victor-American Fuel Co. Office of vice president and general manager. Circular No. 179.]

### *To all superintendents:*

Some time ago instructions were issued that in all dip and raise working places a block should be used to prevent cars from running over the end of the rails or running down hill in case the room was raising. I had a blue print made giving my idea of such a plan. On receipt of this circular, write me, stating whether instructions are fully complied with or not.

W. J. MURRAY,  
*Vice President and General Manager.*

DENVER, COLO., August 24, 1914.

## EIGHT-HOUR LAW AT YOUR MINE.

[Vice president and general manager.]

DENVER, February 26, 1913.

*To all superintendents, Colorado division.*

DEAR SIR: As soon as matters can be arranged, which will be early next week, we will work eight hours per day at your mine; that is, eight hours will be a day's work for all inside men. This means that there will be eight hours' actual work, commencing work at 7.30 a. m., half hour for lunch, and quitting at 4 p. m. There will be no reduction in wages per day, as the same will be paid for 8 hours as has been for 10 in the past to the inside men. \* \* \*

Yours, truly,

W. J. MURRAY.

[V. A. M. 12559.]

## KEEPING THE ROADS SPRINKLED AT DELAGUA.

[Vice president and general manager.]

DENVER, March 20, 1913.

Mr. SAMUEL DEAN,  
*Mine Inspector, Delagua, Colo.*

DEAR SIR: Your report of the 17th, under the head of "Conditions of mine," in regard to "Dust" you say: "Dust in Inby of the fourteenth east parting; fourth north has not been kept sprinkled regularly." Some months ago I wrote you a letter on this matter and told you I wanted you to see that the roads were sprinkled, conferring with the superintendents at all times, and to a certain extent you were responsible for having the roads sprinkled. I would like to know whether you have any objection to this. If you have not, why was the road that you speak of not sprinkled?

Yours, truly,

W. J. MURRAY.

[Telegram.]

DENVER, April 1, 1913.

W. J. MURRAY, *Hastings.*

We received to-day from Groman 10 copies of house bill 124 as amended by the Senate and have sent 1 copy to each superintendent.

C. D. GALLANTE.

[V. A. M. 12831.]

## RECOMMENDATIONS FROM STATE MINE INSPECTOR.

[Vice president and general manager.]

DENVER, April 16, 1913.

Mr. M. E. SOMERVILLE,  
*Superintendent, Maitland, Colo.*

DEAR SIR: I am in receipt of a letter from the State mine inspector's office, with some recommendations which his deputy made on his last visit to your mine. I wish you would proceed to comply with these recommendations, if possible, at once. Notify me when they are completed. \* \* \*

Yours, truly,

[V. A. M. 12889.]

## THE LAWS OF AN EIGHT-HOUR DAY.

[Vice president and general manager.]

DENVER, April 22, 1913.

*To all superintendents, Colorado division.*

DEAR SIR: When we put the eight-hour day into effect at your mine it had not become a law, but since that time it has and the law states that no man

shall work more than 8 hours underground in any 24, unless in cases of emergency where life and property are in danger, or words to that effect. \* \* \* If you find at any time that you have to work the men more than eight hours because of the exception that is provided for in the bill, you must state on the time report why the men were working more than eight hours. When you ask any man and compel him to work 9 or 10 hours you are liable. If for any reason he would stay in the mine more than eight hours without your knowledge it seems to me that we are not responsible, however we do not want to take any chances.

Yours, truly,

W. J. MURRAY.

---

[V. A. M. 12922.]

THE NEW MINING LAW AND AIR COURSE.

[Vice president and general manager.]

DENVER, April 24, 1913.

Mr. D. J. GRIFFITHS,

*General Superintendent, Trinidad, Colo.*

DEAR SIR: You know that the new mining law states that at any mine where the air courses are too long for sufficient air not getting to the face of the entries that the inspectors can order the company to sink a shaft or another opening to assist in ventilating the mine in proper shape. Here is something that might, unless there is a great deal of care taken, work serious hardships, and to take care of this we ought to see that the air courses are driven of sufficient width and the area ought not to be reduced by false or other obstruction, hence this is something you ought to pay close attention to in the future.

Yours, truly,

W. J. MURRAY.

---

[V. A. M. 12950.]

CIRCULARS RECEIVED FROM STATE MINE INSPECTOR.

[Vice president and general manager.]

DENVER, April 28, 1913.

Mr. JAMES CAMERON,

*Superintendent, Hastings, Colo.*

DEAR SIR: I am in receipt of yours of the 26th relative to the circulars which you received from the State mine inspector, but you doubt whether they will be any more effective than the boards printed at the mines or the one with the sign written in chalk. According to the new mining law there is no virtue in the chalk notices whatever, and it states that all signal signs and danger signals must be printed on a board or iron plate. I wish you would give me the number of signs and the kind you have at your mine at present and I will take the matter up with the State mine inspector and see if he will allow us to wear these out before we are compelled to buy new ones. As I have said before, I would like to have the number of notices of all kinds that you have and where they are placed, and if you have any which the fire boss uses in places where he wants to keep the men out in the morning.

Yours, truly,

W. J. MURRAY.

---

[V. A. M. 13003.]

DENVER, COLO., May 2, 1913.

Mr. JAMES DALRYMPLE,

*State Coal Mine Inspector, Denver, Colo.*

DEAR SIR: Along the lines of some correspondence we had a few days ago in regard to educating the men so that they would be able to comply with the mining law when it went into effect. I met all of our superintendents in Trinidad on April 20, and went over all such matters as this very thoroughly.

I inclose herewith a copy of letter which I have received from our superintendent at Delagua. I suggested that he take the matter up with the deputy State mine inspector, and have the following communication from him:

"Deputy inspector says operators are not liable under new law for six months. Does not know whether miners are liable or not. Wishes us to communicate with chief inspector. Please advise."

It is very evident from the stand these men have taken that somebody will have to be punished or some drastic means employed to compel them to take care of themselves.

I would be obliged to you if you would give me your idea or any advice which you think we might pursue in this case.

Yours, truly,

W. J. MURRAY.

[V. A. M. 13091.]

CHANGES MADE BY THE NEW MINING LAW.

[Vice president and general manager.]

DENVER, May 14, 1913.

To all superintendents Colorado mines.

DEAR SIR: On receipt of this letter I would like to have you write me fully how you are progressing in the improvements and changes to comply with the new mining law which will be in effect in a few weeks. I would like to know what changes, and the number you have made, which the law calls for. I realize that you will have hardly made them all, but I would like to know what has been made and what progress you are making, so that we will be in shape by the time expires which we are given by law.

Yours, truly,

W. J. MURRAY.

[V. A. M. 13189.]

CHANGES TO COMPLY WITH MINING LAW.

[Vice president and general manager.]

DENVER, May 21, 1913.

Mr. J. W. BELL,

*Superintendent, Bowen, Colo.*

DEAR SIR: Your letter of the 19th in regard to your efforts to get conditions into shape to comply with the new mining law. I am aware, of course, that we would have less work to do at Bowen, owing to the natural facilities, to comply with it than at some of our other mines, and my idea was to keep working along the lines of the requirements, so that when the law is put into effect we would be as near the requirements as we could possibly be. It is a question to me whether the pillar boss you speak of will cut any figure when the law comes into force, for, as I understand it, no person without a certificate of competency can instruct miners in regard to doing their work, aside, of course, from the superintendent.

Yours, truly,

W. J. MURRAY.

[V. A. M. 13331.]

DENVER, May 31, 1913.

Mr. JAMES DALRYMPLE,

*State Mine Inspector, Denver, Colo.*

DEAR SIR: I am in receipt of yours of the 29th in regard to any suggestions or assistance we might be able to give in arranging the mining law into different languages. Some time ago—I think you will remember—I spoke to you about my intentions of having several hundred small booklets printed in six different languages. We took the matter up with a Boston publishing house, who finally informed us, after several letters written back and forth trying to correct different phrases in the languages, we succeeded in making them understand what we wanted. I intend to visit the mines south of Pueblo next week, and I will see if they have got any men in their employ who might be able to assist along the lines you suggest.

Yours, truly,

W. J. MURRAY.

[V. A. M. 13475.]

## SUGGESTIONS AS TO HOW TO AVOID ACCIDENTS TO OUR EMPLOYEES.

[Vice president and general manager.]

DENVER, June 18, 1913.

*All superintendents, Colorado division.*

DEAR SIR: We are mailing, under separate cover, a supply of Suggestions as to How to Avoid Accidents to our Employees, printed in six different languages—English, Austrian, Hungarian, Italian, Montenegrin, and Greek. As you will notice, these are particular instructions to miners, drivers, trackmen, timbermen, and trappers. In order to have these pamphlets accomplish the purpose which we thought would guarantee the expense of having them produced, would suggest that you have some arrangement made whereby they could be presented to each employee personally, with the explanation of the different languages in which they are printed and the value of the book both to the employee and employer. We do not wish to make any charges for the book, but want you to impress upon the employees that they are of value and should not be mislaid or destroyed and would suggest that when any party leaves the employ of the company you request them to return the book. It might be well to have this understanding when the pamphlets are given out, avoiding, if possible, the giving of books to any person who can not read any of the six languages in which it is printed. A further supply of these pamphlets will be furnished upon request. Would like to hear from you occasionally as to what benefit, if any, you can notice has been derived from this effort.

Yours, truly,

W. J. MURRAY.

[V. A. M. 13597.]

## SOME APPARATUS REQUIRED BY MINING LAW.

[Vice president and general manager.]

DENVER, July 1, 1913.

Dr. J. R. ESPEY, *Chief Surgeon,*  
*Trinidad, Colo.*

DEAR SIR: The mining law of Colorado, recently passed, section 89, reads as follows:

"Every mine employing as many as twenty-five men underground shall be equipped with apparatus as follows: 'One resuscitating apparatus with a suitable supply of auxiliary apparatus and first aid to the injured outfit, including stretcher with woolen and waterproof blankets with each stretcher and a suitable supply of olive or linseed oil.'"

Are all of our mines equipped with first aid to the injured outfits, including stretcher with woolen and waterproof blankets, and what would you consider a suitable supply of olive or linseed oil?

Yours, truly,

W. J. MURRAY.

[V. A. M. 13599.]

## SMALL BOOKS OF MINING LAWS PUBLISHED.

[Vice president and general manager.]

DENVER, July 1, 1913.

*To all superintendents, Colorado mines.*

DEAR SIR: If you will refer to the recently passed mining law in Colorado you will find section 28 requires that as far as possible each underground employee shall have a copy of the law, to be furnished by the owner to each employee at first cost. We are sending you, under separate cover, 25 copies of this law, printed in English, which you will notice is marked very plainly on the cover, "Price, 10 cents." Will you kindly see that these are distributed to all English speaking and writing employees underground and such outside employees as desire a copy? These will be charged against your mine at 10 cents per copy, and you will credit all collections, so that the account will balance when all books have been disposed of. See former letter in regard to the care and returning of these books.

Yours, truly,

W. J. MURRAY.

[V. A. M. 13686.]

BOOKS OF MINING LAWS SENT TO YOU.

[Vice president and general manager.]

DENVER, July 15, 1913.

*All superintendents, Colorado division.*

DEAR SIR: Some time ago we sent you a supply of books, printed in English, of the new mining law in Colorado. Will you please advise what success you have had in distributing these books to employees and the attitude in general on this subject. A further supply of these books may be had if you do not have sufficient to meet the demands.

Yours, truly,

W. J. MURRAY.

GETTING READY TO COMPLY WITH MINING LAW.

[Vice president and general manager.]

DENVER, COLO., July 15, 1913.

*All superintendents, Colorado division.*

DEAR SIR: With an idea of complying with the new mining law in regard to maintaining stretchers, blankets, first aid to the injured outfits, etc., at each mine, will you kindly advise just what condition your equipment is in at the present time at your mine. If the first aid to the injured outfits are not complete it should be restocked at once from the supply of the local surgeon. Also advise the conditions of your stretchers, and if you have sufficient blankets to meet all requirements. A prompt reply will be appreciated.

Yours, truly,

W. J. MURRAY.

[V. A. M. 14711.]

ALL SUPERINTENDENTS NOT COMPLYING WITH MINING LAW.

[Vice president and general manager.]

TRINIDAD, COLO., December 21, 1913.

*All superintendents, Colorado division.*

DEAR SIR: I find some of our superintendents are not complying with the mining law, and the time given by the last session of the legislature to comply with it has long since passed. On receipt of this letter I want you to get the copy of the mining law which you have at your mine and go over it paragraph by paragraph and check off in pencil any part that you are not complying with. If you will do this you will readily see whether you are living up to the law or not. If you are not in every case, then the parts which are being neglected must be remedied at once. After you have gone over the law thoroughly I want you to write me fully what success you are having in complying with its provisions. There will be no excuse taken for neglecting this.

Yours, truly,

W. J. MURRAY.

[V. A. M. 15583.]

HAS MANUFACTURERS' MAGAZINE HELPED YOU?

[Vice president and general manager.]

DENVER, COLO., April 20, 1914.

*To all superintendents, Colorado division.*

DEAR SIR: Has the Manufacturers' Magazine, which the company subscribed for you for the last 12 months, been of any benefit to you whatever? If so, kindly let me hear in what way. By reading and studying it, have you been able to get any information from it that was of value?

Yours, truly,

W. J. MURRAY.



## GOVE EXHIBIT NO. 6.

[Coal mines of Colorado. Data taken from reports of State coal mine inspector.]

*Average number of men employed since Aug. 1, 1913, comparison with corresponding months of previous year, and percentage of corresponding months of previous year.*

Months.	Year.	Men.	Year.	Men.	Per cent of corresponding month previous year.
August.....	1913	12,059	1912	12,196	99
September.....	1913	12,346	1912	12,059	102
October.....	1913	7,696	1912	13,893	55
November.....	1913	8,016	1912	14,854	56
December.....	1913	9,665	1912	15,244	63
January.....	1914	10,375	1913	14,701	71
February.....	1914	10,026	1913	14,170	71
March.....	1914	9,288	1913	13,054	71
April.....	1914	9,259	1913	11,699	79
May.....	1914	8,348	1913	11,812	71
June.....	1914	7,893	1913	11,419	69
July.....	1914	8,286	1913	11,477	72
August.....	1914	9,530	1913	12,059	79
September.....	1914	10,504	1913	12,346	85
October.....	1914	11,446	1913	7,696	.....

*Tonnage of coal produced since Aug. 1, 1913, comparison with corresponding months of previous year, loss and gain on tons compared with previous year, and percentage of corresponding months of previous year.*

Months.	Year.	Tons.	Year.	Tons.	Loss (tons).	Gain (tons).	Per cent of corresponding month previous year.
August.....	1913	859,047	1912	801,933	.....	57,114	107
September.....	1913	764,873	1912	855,763	90,890	.....	89
October.....	1913	545,155	1912	979,644	434,489	.....	56
November.....	1913	536,098	1912	1,042,699	505,991	.....	51
December.....	1913	604,357	1912	1,129,261	524,904	.....	54
January.....	1914	726,115	1913	1,107,005	380,890	.....	66
February.....	1914	620,458	1913	879,577	259,119	.....	71
March.....	1914	626,865	1913	768,264	141,399	.....	82
April.....	1914	523,791	1913	760,582	236,791	.....	69
May.....	1914	549,953	1913	802,665	252,712	.....	69
June.....	1914	582,870	1913	708,418	125,548	.....	82
July.....	1914	594,104	1913	759,934	165,830	.....	78
August.....	1914	706,653	1913	859,047	152,394	.....	82
September.....	1914	749,465	1913	764,873	16,408	.....	97
October.....	1914	810,416	1913	545,155	.....	265,261	.....

## GOVE EXHIBIT NO. 7.

TELEGRAPHIC CORRESPONDENCE BETWEEN FRANK E. GOVE, COUNSEL FOR THE VICTOR-AMERICAN FUEL CO. AND CONGRESSMAN ——— AT WASHINGTON.

As indicating the state of mind of the Colorado coal companies for a few days after the Ludlow disaster, the following telegraphic correspondence between Frank E. Gove, attorney for the Victor-American Fuel Co. and a certain Congressman at Washington was offered the commission while Mr. Gove was on the witness stand. Mr. Gove did not at the moment have the correspondence, and it was directed by Chairman Walsh that he furnish it later, so that it might be inserted in the record.

(NOTE.—By mutual arrangement the name of the Congressman is withheld. The name is known to members of the commission, and according to Mr. Gove was not to be disclosed unless it seemed absolutely necessary.)

LUKE GRANT.

APRIL 23, 1914.

— has asked me to wire you situation in detail each day. I will be very glad to do so. Trust you will bear in mind, however, that it is nearly as difficult to get accurate details either here or in Trinidad as in Washington. What I send I hope may be reliable.

APRIL 23, 1914.

To-day's Post contains following message issued from union headquarters here: (Quote:) Robert Bolton, United Mine Workers, Trinidad, Colo.; Charles Haines, United Mine Workers, Walsenburg, Colo.; Thomas Scott, United Mine Workers, Florence, Colo. Please rush messages and repeat back each of them. Three hundred and fifty militiamen left here on special train at 12.25 for strike district. Gen. Chase had command of men at depot. He is believed to have taken 12.15 train. Special coming over Colorado & Southern consists of nine coaches, three baggage cars, one supposed to contain ammunition and two machine guns; engine 628. Denver report says flat car with Gatling gun will be placed in front of engine; also that men will detrain before reaching center conflict. In order that these militiamen with their two additional machine guns may not repeat the horrible Ludlow massacre of women and children, we urge you to watch for their approach across country from La Junta or ordinary route. E. L. Doyle. (End quote.) This practical declaration of war is being advocated throughout the State among union people. We regret the apparent favorable response from various quarters and many newspapers in the State which grossly misrepresent facts are largely responsible.

APRIL 23, 1914.

To-day's Post contains following interview with Lawson: (Quote:) It has now become a war of extermination. We now have the sinews of war backed by guns and ammunition and the faith, loyalty, and financial backing of every union-labor man in the country, and we propose to carry the fight for recognition of the union and have our rights to fair treatment required in the laws of the land respected. It is not now a question of negotiation for the settlement of our wrongs. Rockefeller has declared that he is fighting for the principle of nonrecognition of the union and that he will lose his investments in Colorado and other thousands of dollars in money in support of his position. Union labor over the country presents a united front in opposition to this attitude, and we propose to see it through no matter what the cost. The murder of the women and children at the tent colony Monday caused by the use of explosive bullets and the machine guns, coupled with the deliberate firing of the tents, resulting in an awful harvest of death, has clinched the determination to fight to a finish. (End quote.)

APRIL 23, 1914.

To-day's advices disclose marching of strikers on Rouse mine and at other points under declaration to destroy property and attack militia on its arrival. There has been much indiscriminate shooting from Ludlow northerly all day, but so far as I know no casualties have occurred.

The official report of Monday's fight by Maj. Hamrock, who was in command, is given out by Associated Press to-day. If not published in papers you read advise and I will send by wire.

APRIL 23, 1914—MIDNIGHT.

Gen. Chase and militia left here this afternoon. Since then everything has been quiet all along the line. Strikers from vicinity of Ludlow have been moving north all day. Many armed strikers have been moving south from vicinity of Walsenburg. Dispatches from points near Rugby report several hundred strikers gathering along railroad with expressed purpose of attacking troop train. Train now, midnight, nearing Walsenburg. General public is excited. Extraordinarily sensational stories about murder by mine guards at Ludlow has inflamed many. The truth is gradually coming out here and greater calm may be expected. In the south the Ludlow incident and Lawson and Doyle attitude has so inflamed strikers that apparently nothing can stop them. Four mines near Aguilar have been burned and several dynamited. One of the

owners of the Empire mine, who was imprisoned in mine with other men, women, and children, escaped through another mine this afternoon, and was captured by strikers and is still held by them. All wires to south constantly interrupted all afternoon.

---

APRIL 24, 1914.

I must retract statement that Empire mine owner escaped. Troops left Walsenburg on train at 6.30 this morning. Detained at Monson, 10 miles south, at 9 o'clock. Now slowly advancing south. Some firing by advance cavalry and few stragglers being sent back. No casualties reported at noon.

---

APRIL 24, 1914.

Responsible party at Trinidad has just talked to Gen. Chase at Rugby station. General says several hundred strikers who were in one body this morning have split, one branch going back into mountains, the other south toward Aguilar. He is making preparations to follow them, and says he will rescue four men, three women, and six children now sealed in Southwestern mine, equipment of which was burned yesterday, within next hour or so, and hopes to rescue the eight men in Empire mine before night. Little shooting and no casualties at 2 o'clock.

---

APRIL 24, 1914.

Troops entered Aguilar about 4.30. All parties imprisoned in mines liberated. None dead, but two shot. No armed strikers in sight. Aguilar troops in practical touch with Ludlow detachment. I believe no serious trouble should be now anticipated. Tremendous tension which has existed in southern camps is largely released. Public opinion here still very much inflamed, and papers still printing the wildest possible rumors of wholesale slaughter by and of troops in march south. As a matter of fact, few shots were fired and none hurt.

---

APRIL 24, 1914.

Quiet everywhere at midnight. Late this afternoon and shortly before governor arrived lieutenant governor and Hawkins, attorney for union, entered into a compact or truce to effect that troops should go no farther and remain inactive and strikers should cease attacks. Directions were forwarded to Chase and strike leaders to this effect. The public is divided, the better element disgusted at executive interference with discretion of military commander in field, the majority probably approving action as restraining the soldiers from further murder, as the press has represented Ludlow incident. Governor now conferring with a number of citizens. He approves truce, but all conferees anxiously perplexed as to future. It is truly a grave problem in the light of labor attitude generally. All sorts of union locals are thoroughly aroused. Wyoming coal miners tender 3,000 armed men as aid. Even typographical union is equally misled by false reports of outrages. Women's organizations also aflame. The so-called truce will, irrespective of its policy or propriety, compel some comparatively calm thought all around.

---

APRIL 25, 1914.

Late yesterday strikers took possession of the Sunnyside mine and drove postmaster and others out of town. They still have possession. Notwithstanding truce strikers last night drove all men away from Pinon mine and blew up McLaughlin mine tippie and fired many shots into the Maitland property. Forced entrance to Rockvale store and carried away guns and ammunition. The Chandler property in Fremont County was fired into continuously by 90 men from 6 this morning until 2 o'clock. No one killed, but camp riddled. Eight guards unable to repel attack. Upon direction of their attorney strikers finally ceased firing. Possibly some of this breach of faith can be attributed to the absence of notice of truce. Territory occupied by troops quiet to-day. Approximately 500 armed strikers now on streets of Trinidad, and great anxiety is felt there. Military commission appointed by Gen. Chase to investigate Ludlow. Also another committee headed by two judges of appellate courts.

APRIL 25, 1914.

Strikers last night by force secured large amount of explosives from store in Trinidad. At 7 o'clock to-night they reopened the attack on Chandler. The governor will immediately request Federal troops. I trust I am not an alarmist, but in my judgment President should grant this request if constitutionally possible. The situation is certainly beyond the control of the governor. Strikers will, I think, gladly submit to a comparatively small force, but will probably never overcome their hatred of the militia, which they regard as corporation hirelings.

---

APRIL 26, 1914.

A mob of perhaps 500 or more armed men occupied the streets of Trinidad to-night. The county jail was fired upon. One man was shot on street. First National Bank Building surrounded and occupants fled. Strikers stacked many guns in union hall. Citizens kept off streets and a reign of terror prevailed until a late hour. Now quiet. Firing on Chandler continued until wires went out at 10 o'clock. One company man had been killed and two strikers had then been captured endeavoring to burn houses. Hawkins, strikers' attorney, is now endeavoring to induce leaders to again compel strikers to cease attack. Many appeals from many sources are going to President to grant governor's request for Federal troops. It seems to be a uniformly popular move.

---

APRIL 26, 1914.

Chandler has fallen into hands of strikers. After 30 hours almost continuous firing into camp the strikers gained entrance under Red Cross flag. At least two camp men killed. Fear is entertained for men and property now held by strikers. Strikers now hold several properties. Some looting of stores and houses, but little actual destruction of property so far to-day. All efforts to secure protection for Fremont County properties from sheriff, militia, or otherwise has been abandoned, and remaining mines there will be surrendered to strikers if attack is made. Radiant will doubtless go to-night, at least that is present prospect as strikers are headed that way. Strikers are putting up tents on site of former soldiers' camp in Trinidad and have control of city.

---

APRIL 26, 1914.

The governor has finally permitted Chase to send small detachment to Fremont County and will arrive there about 4 o'clock in the morning. Great excitement prevails in town of Canyon City based upon the Chandler episode. They have organized a protective committee. I am bound to think all this unnecessary. Reports are still conflicting as to whether Chandler equipment was destroyed. Best information is to effect that no damage was done. Radiant has not been attacked, and in view of early coming of troops we are hopeful that it will not be. There has been no disorder at Trinidad or Walsenburg to-night.

---

APRIL 27, 1914.

Men from Chandler here to-day say sheriff Fremont County visited camp yesterday morning and said strikers would thereafter respect truce, but that coroner would arrive later under white flag. Later several groups of men arrived with flag and Red Cross bands on arms. Guards were suspicious but afraid to shoot. Strikers surrounded guards and took town, all men escaping. The camp equipment has not been damaged beyond upsetting furniture in houses and looting store. However, company has not been able to get into possession because of danger of returning over hostile roads. Chase reached Canyon City this morning with about 200 men. Since this force left the southern district trouble has broken out again there. Sopris was fired upon from hills early this morning and all men called from mine. In Walsenburg there has been some shooting near Walsen mine and wife of boarding-house keeper badly wounded. Late this afternoon some of the buildings at McNally mine were burned and all men driven into town. To-night the machinery has been dynamited and tippie burned. All this seen from Walsenburg courthouse. The delay in sending Federal troops is causing widespread disappointment. Possibly knowledge that such an order has issued would help even in advance of arrival of troops. There is much evidence of change of sentiment here. People are

waking up to the fact that they have an insurrection at hand and not a band of murdering militia to curb. The strike issue is becoming of secondary importance for the time being.

APRIL 28, 1914.

Attack on Walsen mine renewed again this morning. Detachment of militia which went to Walsenburg last night now flanking strikers in effort to drive them away. Early this morning a vicious attack was made on Hecla mine in Boulder County and is still in progress. Gen. Chase is dividing his forces and is now headed for Boulder County with hundred men.

APRIL 28, 1914.

Attack on Walsen mine has continued entire day. Small detachment militia has not stopped the firing. One hundred additional militia now preparing to go to Walsenburg from Ludlow. Strikers fired on militia in Chandler to-day, but were driven off. Hecla attack has been one of most vicious thus far. Strikers told sheriff of Boulder County to disarm men protecting property or they would. Men in company office telephoned bullets sounded like hail and thought they should be heard here on phone. Chase reached there at 5 o'clock after being fired upon and captured six men. No one else in sight and all quiet to-night there. One man killed in south and one in Walsenburg so far as known. Rumors of more, but not verified. Federal troops from Russell left Cheyenne hour ago. Nothing definite from those from Leavenworth. Mass meeting in Boulder demanded and secured calling of grand jury. Strike leaders and some prominent newspaper men are likely to be indicted for murder. This is the prevailing sentiment in that county. Hickey arrested with others 5 miles north of Denver carrying guns and 1,300 rounds ammunition in automobiles to strikers at Hecla.

APRIL 29, 1914.

Four hundred strikers in two parties attacked Forbes mine for an hour and a half this morning. They burned everything in sight, including 33 mules; killed 7 miners, including 4 Japs; wounded 2 others, who were taken to Trinidad late to-day. Strikers continued firing upon the Walsen mine early this morning. All militia there unable to drive them away. Early this afternoon flanking party reported to have killed a number of strikers, and through attorney in Denver Gen. Chase was induced to declare truce of one hour, with understanding that all strikers would surrender their guns to him at 5 o'clock. Prior to truce one soldier had been killed and two wounded. During truce McNally mine again fired upon and surgeon under Red Cross flag tending to wounded soldier was killed. No guns were delivered at 5 o'clock, nor have they since been surrendered. No shooting in Walsenburg 11 o'clock to-night. Regulars from Russell took over Fremont County district this afternoon. Militia stationed there immediately entrained for Ludlow and are now south of Pueblo. They are going through to Gray Creek and possibly Sopris and Morley, where an attack is expected before morning and before arrival of Regulars from Leavenworth, due to arrive Pueblo 2 a. m. Unnecessary to add all quiet in Fremont County. Boulder County has been quiet to-day.

#### LINDSEY EXHIBIT NO. 1.

[Resolutions adopted at a great mass meeting of the citizens of Denver at the State capitol, May 15, 1914, and reaffirmed at mass meeting, Washington, May 21, 1914.]

We, men and women of Denver, assembled in mass meeting, are dealing with a crisis caused by the entire collapse of our State government in a desperate emergency. Our legislature has proven itself impotent or corrupt and our executive has publicly admitted his helplessness. We know that with the dangers threatening the country outside, it is impossible that Federal troops should remain indefinitely upon police duty in Colorado; we know, on the other hand, that their withdrawal means the outbreak of civil war upon a scale even more terrible than during recent weeks. We therefore declare it our conviction that there exists a condition of military necessity such as to justify the President of the United States in using his authority to force an

immediate settlement of the dispute upon a just basis to be determined by a Federal commission of conciliation. Inasmuch as it is well known that the miners are willing to submit their cause to such a tribunal, and that the only obstacle to such a settlement is the attitude of the coal operators, we declare it our conviction that the President should use his military authority to close down the mines until the operators decide to yield to public sentiment and the claims of justice and humanity; and that, furthermore, the President should make clear that unless such concession is quickly made he will take possession of the mines and operate them in the interests of the consuming public.

We are convinced that this course of action offers the only hope of an honorable settlement of a dispute which has shamed our State before the world. In order that the facts and arguments which have led us to this conclusion may be properly presented to the President we are resolved to appoint a committee of representative citizens of this State to proceed to Washington and request an audience. And we furthermore invite the representatives of the miners to appoint a committee of women who have personal knowledge of the horrors of the recent civil war to accompany our committee and interview the President, in order that he may be informed at first hand what are the conditions against which this meeting protests.

We believe that in the above resolution we are embodying the opinion of all citizens of this State who are humane and enlightened, and we call upon the public sentiment of the country to manifest its sympathy with us. Raising our hands in this meeting, we declare our solemn resolve that there shall be no more bloodshed in this State, and that the coal strike shall be settled, not according to the arbitrary will of either of the contending parties, but upon a basis of justice and humanity, to be determined by disinterested authority. We believe that such an authority is found in President Wilson. We have confidence in him; we know that the miners have confidence in him; and we declare our belief that if the coal operators have not confidence in him it is because they know that their course can not be defended before the bar of public opinion.

#### LINDSEY EXHIBIT NO. 2.

##### PORTIONS OF THE LUDLOW TENT COLONY INQUEST.

BURNEY B. SIPE, being first duly sworn, on oath testified as follows:

Witness examined by District Attorney J. J. Hendrick:

Q. Your name is Burney B. Sipe?—A. Yes, sir.

Q. You are the coroner of Las Animas County, Colo., are you not?—A. Yes, sir.

Q. You were such coroner on April 20, 1914?—A. Yes, sir.

Q. You made an investigation into the death of Louis Tikas et al.?—A. Yes, sir.

Q. I will state at this time that the reason for putting you on the stand at this time is to give us the names of the parties who lost their lives at Ludlow on the 20th day of April, 1914. I am not familiar with the names, and I don't believe the jury are. You investigated that matter, did you not?—A. Yes, sir.

Q. What dead bodies did you know of that were found at Ludlow as a result of a battle and fire that occurred on the 20th day of April, 1914.—A. Alfred Martin, 30 years old; Premo Larese, 18 years of age; Louis Tikas, 35; Frank W. Snyder, 12; Frank Rubino, 23; James Fyler, 43; John Bartolotti, 45; Rogerolo Pedrigone, 6 years old; Celorine Pedrigone; Charles Costi, 31; Cedelmo Costi, 27 years old; Lucy Costi, 4 years old; Onafremmo Costi, 6 years old; Pedro Valdez, 37 years old; Elvira Valdez, 3 months old; Mary Valdez, 7 years old; Eulolo Valdez, 8 years old; Rudolph Valdez, 9 years old; Frank Petrucci, 6 months old; Lucy Petrucci, 3 years old; Joe Petrucci, 4 years old. That concludes the list of names which I have of the deaths at Ludlow on the 20th day of April.

Q. From your investigation, Mr. Coroner, of the disaster at Ludlow, can you state to the jury how those persons came to their death? Take Louis Tikas.—A. He came to his death by gunshot wound.

Q. Did you examine his body?—A. Yes, sir.

Q. How many wounds did you find?—A. Three, I think; I am not sure, but I have my physician here, who can tell you about that.

Q. Did you examine him with reference to any other wounds?—A. Abrasions about the head.

Q. Who else was shot or killed at that place, Mr. Sipe?—A. Alfred Martin was shot, Premo Larese was shot, Louis Tikas was shot, Frank W. Snyder was shot, Frank Rubino was shot, James Fyler was shot, and John Bartoloto was shot. The other names which I have read of persons dead lost their lives by fire.

Q. Didn't you fail to state one man, Mr. Sipe?—A. Charles Costi.

Q. Wasn't there another Costi that was shot there?—A. No, sir; that was all that was shot.

Q. Did you bring those bodies in yourself, Mr. Sipe?—A. No, sir.

Q. Do you know who did?—A. Yes, sir.

Q. Who was it?—A. I had them brought in by Mr. George, or rather William, Code.

Q. They were not brought direct to your undertaking establishment, then?—

A. No, sir; they were not.

Q. Those bodies have all been buried as far as you know?—A. Yes, sir.

#### TESTIMONY OF DR. PERRY JAFFA.

PERRY JAFFA, being first duly sworn, on oath testified as follows:

Witness examined by District Attorney J. J. Hendrick:

Q. Dr. Jaffa, you are the county physician of Las Animas County?—A. Yes, sir.

Q. Now, then, with reference to the end of the men, women, and children at Ludlow, you made an examination, did you?—A. Yes, sir.

Q. Did you post the bodies?—A. No, sir; I only made an examination of the bodies.

Q. Did you examine the body of Louis Tikas?—A. Yes, sir.

Q. State to the jury the cause of his death, and the condition of the injuries on his body.—A. I will have to use my notes.

Q. Go ahead and use your notes.—A. He had a scalp wound on the right side of the head, about 1½ inches long—done with some blunt object; five bullet wounds—three entrance wounds, and two exit—one entered about the left dorsal region, under the scapula, passing through the left lung and the base of the heart, taking a downward course in the right lung, and lodged near the median line over the seventh rib, under the skin—that bullet was removed; another entered in the lumbar region of the right side, exit in the same side; wound in the second costal cartilage of the right buttock, the exit in the same side; that isn't exact, but about that.

Q. Did these bullets enter from the rear or from the front?—A. From the back.

Q. Did you examine the skull?—A. No, sir.

Q. Do you know if it was fractured?—A. No, sir; it was not fractured.

Q. What was the condition of his face?—A. It was scratched, and a few contusions about the face.

Q. Dr. Jaffa, in your opinion, what was the direct cause of Mr. Tikas's death?—A. It was due to gunshot wounds.

Q. Have you the bullet with you that was removed from his body?—A. No, sir; Dr. Scannel made the autopsy.

Q. Who else did you examine, Doctor?—A. I examined the other bodies.

Q. What was the cause of the death of the people?—A. I have it down William Snyder. Which is it?

Q. Change your record to Frank Snyder. Now, then, you are going to testify to the wounds found upon the body of Frank Snyder?—A. Yes, sir.

Q. Just go ahead and tell what they were.—A. There was one bullet wound, the bullet entered on the farther end of the cerebrum, about 1½ inches, on the right side; the exit was on the opposite side of the skull—that bullet went straight through.

Q. What was the condition of the skull?—A. Well, the entrance wound was small, but the exit wound was a large hole about 1½ inches in diameter. Now, then, William Fyler, there was a bullet that entered on the right side of the nose, and the exit was at the back end; there was also a bullet wound through the right wrist.

Q. Then, there were two shots that penetrated William Fyler?—A. Yes, sir; two. John Bartoloto had two wounds, one right over the heart, and the

other one was a little bit to the right of that, both entrance wounds—there was no exit to either one; he was also shot through the right arm and through the right leg.

Q. That made four shots in him?—A. Yes, sir.

Q. Did you get any of the bullets, Doctor?—A. No, sir.

Q. But the ones near the heart were sufficient to cause death?—A. Yes, sir.

Q. Who next?—A. Frank Rubino, I think he had two wounds, both wounds were so close together, right over the right eyebrow, we were a little bit doubtful as to whether it was two wounds, two bullets, or whether the bullet had divided.

Q. It caused his death?—A. Yes, sir.

Q. Who next?—A. Premo Larese, we could not tell where the bullet entered or the exit—the entire top of the head had been blown off. There seemed to be a mark like a bullet wound, but we could not tell whether it was the entrance or the exit wound—that mark was on his forehead.

Q. Was there any powder burns on that body?—A. No, sir. Charles Costi, the bullet entered over the right temple; and that concludes the people killed by gunshot wounds.

Q. Now, calling your attention, Dr. Jaffa, to the testimony of Mr. Sipe, you heard that statement, did you not? He gave the names of the people that were found dead out there.—A. Yes, sir.

Q. Did you make an examination of the bodies of those women and children?—A. Yes, sir.

Q. What was the cause of their deaths?—A. They were caused by asphyxiation.

Q. Smothered?—A. Yes, sir.

Q. Describe the condition of the bodies that were burned.—A. Those that were burned were slight, some very—were pretty badly burned.

Q. Were they burned so badly that their legs came off?—A. Well, Mrs. Costi's arm was burned off, but there were no legs burned off.

Q. Was there a leg on one of the children that was burned off?—A. No, sir; it had been injured in some way, and in trying to get out of there he dislocated it, or it was due to some one falling on it—they were all jammed in so small a place—but, I think, in trying to get him out that it was dislocated.

Q. Dr. Jaffa, did you assist in taking out any of those bodies from that cave?—A. I did not.

JUROR CASIMIRO CRUZ. Did you notice if any of the women or the children had been shot?

A. No, sir; I believe that Frank Snyder was the only child that was shot.

MR. HENDRICK. Doctor, did you visit the Ludlow tent colony for the purpose of seeing where these people were found dead?

A. I did.

Q. What kind of a place did you find there? Just describe it to the jury.—A. It was a hole in the ground, I would say about 6 feet in diameter, the entrance to it was such that you had to almost crawl into it in order to get in at all; it was very small, probably 2 feet wide and 3 feet high. When any amount of people would get in there, you could not get any air, and asphyxiation would be in a very short time.

Q. What was over the hole, if anything?—A. It seemed to me that there were railroad ties over the top of it, and filled over with dirt.

Q. Was that inside of a tent?—A. There wasn't any tent there at that time.

Q. Well, had the tent burned down at that time?—A. Yes, sir; there were some marks there, and I supposed that a tent had stood there at one time.

Q. Was there any burnt lumber around there?—A. Yes, sir; from the indications there, those people all crowded in there, and couldn't get out on account of the cave being so small, and they afterwards died.

#### TESTIMONY OF DR. ACA HARVEY.

DR. HARVEY, being first duly sworn, on oath testified as follows:

Witness examined by District Attorney J. J. Hendrick:

Q. Your name is Dr. Harvey?—A. Yes, sir.

Q. What is your full name?—A. Aca Harvey—Aca Harvey.

Q. You reside where?—A. At Aguilar.

Q. Were you in the vicinity of Ludlow on the 20th of this month?—A. Yes, sir.



Q. What time did you go there?—A. About 1.30 in the afternoon.

Q. Now go ahead and tell the jury what you saw and did there, give us what experience you had, if any?—A. Well, I didn't go at once to the tent colony because there was firing over there, shooting, shooting at everyone that passed by the road.

Q. Who did?—A. I couldn't say.

Q. Where were the shots coming from?—A. From every direction, coming our way, some were shooting from a string of cars that was on the C. & S. E. bridge and from a house and corral on the hillside.

Q. Could you see any of the bullets strike the road?—A. Yes, sir.

Q. Do you know if the mine guards were stationed at either of those places you just spoke of?—A. I believe so.

Q. What were you riding in, if anything?—A. In a buggy.

Q. Who was with you?—A. Dr. Davis. We were stopped in front of Mr. Bayes's house and that is about three-quarters of a mile away from the tent colony. They told us we wouldn't go any farther, that it would not be safe.

Q. Who stopped you?—A. Several people. There was some men in Bayes's yard, there was some children and women there also.

Q. How far away from this corral and house you testified to?—A. I judge it was three-quarters of a mile from that corral and cement house.

Q. The tent colony was between that corral and Bayes's?—A. Yes, sir; in the middle.

Q. Who did those people seem to be shooting at?—A. At anyone that came in sight.

Q. Could they have been shooting at the tent colony over there?—A. They were shooting probably 100 feet above the tent colony. We were on a kind of a ridge over there; Mr. Bayes's house is higher than the tent colony.

Q. Higher than the tent colony?—A. Yes, sir.

Q. Tell what next happened.—A. Do you want me to tell what I done there?

Q. Tell what you did there, and what you saw there.—A. Well, we met some parties from the colony that had made their getaway, who advised that just one of us go over to the colony, and so I voluntarily said I would go, and then they advised Dr. Davis to return to Aguilar. So I and Mr. Bayes, he helped me carry my surgical instruments, cases, he said they were too heavy for one man to carry, so we started over to the camp. These people we were talking to said that there was some wounded man up near the C. & S. bridge and up by the pump house, just to the west of the tents. Before starting out I got a white flag and we started over there. We went straight east and turned and got in an arroyo and followed the arroyo up to within 100 yards of the railroad bridge. Then whoever it might have been in that cement house about 300 yards away started to shoot at us.

Q. Who was it doing that shooting?—A. I supposed it was the militia and guards up there. One of those bullets just about struck Mr. Bayes on the head, some whistled by me. In order to get to the bridge I had to pass by an open space. I hugged up as close to the arroyo as I possibly could. I made a run and got by the open space, and I jumped into the bank or a little cave in the bank, cave out. I had my medicine antiseptic solution with me, and unfurled my flag and started to wave that, but every time I stuck it out it would be shot at.

Q. Any bullet holes in that flag?—A. Yes, sir; five or six holes in it.

Q. Have you got that flag with you?—A. No, sir; it is down at Dr. Beshor's office. I waited there about three-quarters of an hour. There was a couple of the union men come there and got into a little pit dug in the side of the hill, and they started to shooting back at whoever was doing the shooting, and when those men seen the people that were doing the shooting they turned their attention to them; then I jumped out of the cave I was in and made a run to the bridge. I found a man there who was shot through the head. He was not dead, but he was dying. I suppose there were about a dozen or fifteen men there. They told me that there was another wounded man in a cellar up by the pump house 100 yards away, the railroad bridge would protect me, so I crawled away and got within 50 or 60 feet of the cellar at the pump house. I filled my pockets with dressings and all the time I was crawling to the pump house the bullets were falling thick and fast around me. About the time I got in there the machine gun turned loose and they kept that up for some two or three hours.

Q. Which direction were the bullets coming when the machine gun was turned loose?—A. All about; I could hear the bullets dropping all over; there was a constant spatter of bullets.

Q. Was any of the bullets that were used explosive bullets?—A. I believe so from the noise they made.

Q. Where were the militia and guards stationed, if you know?—A. Some were up by the steel cars and intrenched behind the banks.

Q. Where was the machine gun located? Was the machine gun on Water Tank Hill in operation?—A. That is south of the depot; I don't know, sir.

Q. You spoke of some man dying down there by the bridge. Do you know what that was?—A. I don't know his name. He was shot in the left side of the head.

Q. He died, did he?—A. Yes, sir.

Q. Was that Charles Costi?—A. No; he was found farther up, south and east.

Q. Go ahead and tell what else you did.—A. When I got to the place those men called a cellar I found in place of a cellar a well. It was about 80 feet deep.

Q. Were there any strikers down there?—A. I think there was four ladies and children at that time. When we would go down 10 feet or so there was a platform, and then down from there was another platform, a stairway down from the first platform, and so on until you get to the landing. There was quite a number of women and children in there, and the wounded man was on the first landing; there had been two men shot there. One of the men that was shot crawled away. He was not so disabled that he could not get away.

Q. The man in the cellar that was wounded, who was he?—A. I don't know. I believe he was a Greek; I took him for a Greek, anyway. Well, they kept that firing up with the machine gun over that cellar or well until it was almost dark, when a freight train came from the north; there was a long string of them, so the people that were in there made their getaway while those cars were going by. Those cars come between us and the parties doing the firing.

Q. What time of day was that?—A. It was getting dark.

Q. What time, do you know, Doctor?—A. No; I don't know.

Q. What did you do next, Doctor?—A. Well, we went down to that bridge and got the wounded man and we removed him over to Mr. Bayes's house and dressed the wounds over there. There was some 25 or 30 women there when I got back to Bayes's.

Q. What next?—A. Well, I stayed all night at Bayes's ranch. There was a few men—strikers—came there, and they were told to go away and not stay there. We thought that if the militia saw any men there that they would fire at the house, so we told all the men that stopped there to go on. They kept the women and children there and cooked and fed them all right.

Q. Where were you when the shooting first started, Doctor?—A. I got over there about 1.30 to Bayes's ranch.

Q. What were the indications around there?—A. I did not look around much.

Q. What was the condition of the tents with reference to being shot up, as to whether or not it was full of bullet holes.—A. No; I don't know.

Q. Did you see the firing that night?—A. Yes, sir.

Q. What time did the first fire begin?—A. About 7.30.

Q. Did it start from the southwest corner of the tent colony?—A. Yes, sir. It seemed to me that the big tent—the large tent that was used for their meeting and dances, and so forth—was set on fire. Well, the fire started in a little storehouse in the southwest corner next to the railroad, about the third or fourth tent from the big tent. The fire started in the storehouse and spread to the big tent. The fire stopped for about an hour or two and then it started again. We supposed they would all be burned up the next morning. When Mr. Bayes and I got up the next morning there were several tents standing.

Q. What became of them?—A. It looked as though they were pouring coal oil on them. Mr. Bayes got up on his water tower—his windmill there; he got up there, and had a pair of field glasses.

Q. What did he say he saw?—A. He said he saw the uniformed men throwing coal oil on the tents while another would apply the matches.

Q. You didn't see any of this firing of the tents yourself; it was just Mr. Bayes?—A. I could just simply see the blaze when it would flash up from the tents.

Q. Could you say it was the troops that were doing it?—A. No, sir; I am not positive whether it was the troops or not; Mr. Bayes said it was men in uniform. He had the field glasses; I wasn't up on the tower myself.

Q. Doctor, do you know whether or not Monday was a windy evening?—A. I don't think so. I was busy dressing wounded men, and when I came out of the house the firing had started again.

R. J. McDONALD.

R. J. McDONALD, being first duly sworn, on oath testified as follows:

Witness was examined by District Attorney J. J. Hendrick:

Q. What is your name?—A. R. J. McDonald.

Q. Where do you reside?—A. At Trinidad, Colo.

Q. What have you been doing, Mr. McDonald, in the last three or four or five months?—A. Since the 25th day of December I have been military stenographer for the military commission.

Q. Were you taking notes in investigations, and extending testimony?—A. Yes, sir.

Q. Were you out at Ludlow on the 20th of this month?—A. I believe it was if the 20th was last Monday.

Q. The day of the fight?—A. Yes, sir.

Q. With whom did you go?—A. With the train that was called the reinforcement train.

Q. For what purpose did you go out there?—A. Merely curiosity, as far as I was concerned, Mr. Hendrick.

Q. What time did you get out there?—A. Shortly after 4 o'clock; I don't know the exact moment.

Q. Who was in charge of the train?—A. When we left Trinidad it was in charge of Lieut. Conner; and after we got there Capt. Carson with a few men up on the C. & S. joined us, and we detrained.

Q. How many men were on that train?—A. Eighteen or twenty from Trinidad, and some came down from Segundo.

A. Who were they?—A. Part were mine guards and part were militiamen.

Q. For what purpose were they going out there?—A. About 10 o'clock in the morning I was down in the armory getting ready to go to work, and the telephone rang, and Capt. Foreman's assistant couldn't understand what was said, so when it rang again I answered the phone, and it was Mrs. Linderfelt calling. She said the troops at Cedar Hill were being killed and that they wanted to have help.

Q. You went out there?—A. Yes, sir; I did.

Q. Where did the train stop at, Mr. McDonald?—A. This side of Rameyville, that camp back of Cedar Hill, is what I was told. Well, the men detrained there, the machine gun was taken off there. About the time the machine gun was being taken off I noticed an automobile there, a brown automobile, with quite a few people in it; there was a young girl there about 19 or 20 years old; I didn't pay much attention. I heard some one say: "Here is an automobile, so just put the machine gun in it and the driver will take it to the top of the hill, and then it will be just a short distance to carry it." I remember this young lady getting out of the machine. Then two men on horseback came down from the top of the hill and gave some orders.

Q. You remember what those orders were?—A. The orders were that the soldiers should detrain and go up to the hill. The automobile took the machine gun up to the top of the hill, and it was afterwards packed over.

Q. The driver of that automobile was the gentleman that just testified, Mr. Hall?—A. I don't know.

Q. What was done with the machine gun after it was taken to the top of the hill?—A. It was planted, if that is the proper term.

Q. Was it put into operation?—A. Shortly afterwards I heard its fire.

Q. In which direction were they shooting?—A. Probably a mile or a mile and a half to the hills in the direction of the Black Hills; the reason I apprehend that it was about that far is because some of the men were using 30-30's and they were told to "cut it out using the popguns" because they couldn't reach that far.

Q. Do you know if they were shooting at the tents then?—A. Not at that time that I know of but they did later on; it was probably 6 o'clock because some one gave an order and I heard it; some one said "There is 50 minutes yet before dark and we have to take and burn the tent colony."

Q. Do you remember who gave that order?—A. I think it was Maj. Hamrock or Capt. Carson; it was either one of the two, but I heard the order.

Q. Where did you go from there?—A. I left there. Somebody said, "We will leave five men with the machine gun"; so we went from the top of the hill over to the steel bridge, and from there over to the railroad cut just north of the Ludlow tent colony.

Q. What occurred there?—A. Mr. Welsh was with me; he followed in the back and got in the Ludlow depot. About that time the firing was pretty heavy.

Q. You went to the Ludlow depot?—A. Yes, sir; probably after an hour's shooting we left the Ludlow depot and went up toward the tent colony. We followed out on the track from the box cars that were standing there, and Linderfelt ordered the men on the steel bridge to cease firing and advance slowly toward the tent colony. He turned around to me and said, "you aren't doing anything else, and you are a fairly intelligent man; you run up to the bridge and give that order." So I ran up to the steel bridge and told the men there that they were to cease firing and advance slowly toward the tent colony. One of the men there said, "Who gave you that order?" He said, "I don't know you and I won't obey it." Probably two minutes elapsed and Maj. Hamrock came down, and he gave the order for them to cease firing and advance slowly to the tents.

Q. Did you see Louis Tikas there that day?—A. I never seen him that day.

Q. Did you hear any one discuss him that day?—A. After we come down from the steel bridge by the railroad cut down there the tent colony was on fire. We heard quite a bit of commotion down there by the water tank, and somebody came in and said that Louie the Greek had been captured, and that they wanted to hang him. I said, "They don't need to hang him; why don't they just take him prisoner?" Mr. Welsh said, "That's none of our business," or something like that. Well, when we started for the depot—I wanted to go to the depot and stay there; I had seen enough and I didn't want to see any more—we met Maj. Hamrock and Linderfelt. Mr. Welsh said something to them about Louie the Greek, and Linderfelt said he wouldn't let them kill him or hang him, "but I broke or spoiled an awful good rifle." He was carrying it by the barrel over his shoulder.

Q. Do you know if he struck Louis Tikas over the head with that?—A. Nothing more than the talk I have heard, but I supposed so. We were about 20 or 30 feet from them when a fusillade of bullets were fired, and we went over the embankment, and then started to walk up the track to the depot, when some one came in and said that Louie had been shot; he said he knew it was Louie because he had a pair of red leggings on and a pair of field glasses.

Q. What time was that?—A. About 7.30.

Q. How soon after that did the tents begin to burn?—A. Before I went down the tent nearest the railroad track was on fire when I first looked.

Q. How did that catch on fire?—A. I don't know.

Q. Did you see any men around them at that time?—A. There was a commotion over by the arroyo, north of the Ludlow tent colony, some one ran out and said, "My God; God; dynamite," and it went up. Some of the soldiers were in the back of the railroad crossing at that time.

Q. Isn't it a fact that there was a railroad train coming along?—A. There were two freight trains, about 10 minutes apart before the passenger train; it was late that evening.

Q. Do you know if the railroad men had a conversation with any of the soldiers with reference to the fire?—A. I couldn't say; they pulled right through the depot without stopping.

Q. Do you know Mr. Riley, who was on the railroad that day; that train that evening?—A. I don't know.

Q. Do you know if he talked to the soldiers?—A. No; I don't. Mr. Hendrick. After I got down on the railroad cut those two freight trains passed me. I don't know if they stopped any place or not.

Q. At the time you saw the tents burning you were about a half a mile away, were you not?—A. Yes, sir; 600 yards away.

Q. What time did you leave the Ludlow depot that night?—A. At 11.20; I went to Pueblo and Denver.

Q. Were the tents still burning then?—A. Yes, sir. Tuesday night the tents were still burning when I went through, or rather the wood was burning; the frames.

Q. The canvas part was not burning?—A. No, sir; just the frames.

Q. To what extent, when you left that night, had the tent colony been burned up?—A. Possibly 14 or 15 tents in smoke at that time.

Q. At the time the tents were burning did you see anybody in and around them?—A. Well, when I was in the depot one man came and said that there was three pups, dogs tied there, and that he cut them loose, and another one came with an American flag, and some one asked him where he got it, and he said out of the tent colony, that he could not see it burn up. Pretty soon another man came in with a revolver, probably it was a .32, something like that; then another man carried in a double-faced looking face.

Q. Mr. McDonald, you went out there in the interest of a spectator?—A. I went for this reason, Mr. Hendrick: There had been several reports; first there were going and then they weren't going; I didn't have anything to do that day, so I thought I would go out and look over the grounds, never expecting anything like that to happen.

Q. Do you know who operated the machine gun?—A. I don't know his name; he was a militiaman.

Q. Do you know what that gun belonged to?—A. I don't know whether it was gotten from here or whether it belonged to the State militia; I am not positive.

Q. You don't know, Mr. McDonald, whether it belonged to the State militia or to the coal operators?—A. I could not state.

Q. These men that were armed and went out on that train with you, did they have Springfield rifles or Savage?—A. Some were the Springfield rifles and some Savages, and some were the Regular Army guns. They put their uniforms on down at the armory and some just had the Savage 3-30.

Q. Mr. McDonald, what per cent of those men were mine guards?—A. I couldn't hardly state; I think three or four were actually in service here, whether the others belonged to the State militia and were subject to call or not I couldn't state.

Q. Did E. J. Foreman command that squad; Capt. Foreman?—A. He was ordered to don his uniform, and he said he was going up the street, and the next I seen of him was at Denver at the depot Wednesday morning.

Q. So he was not out there?—A. No, sir; he wasn't there.

Q. The guards made up this party that went out that day, they came down from Segundo?—A. I think 20 came down.

Q. Do you know if they brought that machine gun down with them?—A. I don't know. There were three day coaches and a passenger car went out, and in front was a steel car, the most of them men.

#### WILLIAM SNYDER.

WILLIAM SNYDER, being first duly sworn, on oath testified as follows:

Witness was examined by District Attorney J. J. Hendrick:

Q. What is your name?—A. William Snyder.

Q. Where do you live, Mr. Snyder?—A. Now?

Q. Right now.—A. At 310 Elm, Trinidad.

Q. Did you live at Ludlow on the 20th of this month?—A. Yes, sir.

Q. How long had you lived there?—A. Since the 26th day of September, or about that date.

Q. Of last year?—A. 1913.

Q. You went there immediately after the strike was called?—A. Yes, sir.

Q. What did your family consist of on the 20th day of this month?—A. Five boys, one girl, my wife, and myself.

Q. Where you and your family in the tent colony on the 20th of this month?—A. Yes, sir.

Q. How were you living there?—A. In a tent.

Q. What kind of a tent; how large?—A. It was 16 by 24.

Q. One room or more?—A. I had it partitioned off, about the center of it was partitioned; I had the lumber in it, about 5 feet, and then the drop curtains.

Q. How old are your children?—A. How old? From 3½ to 11 years and 11 months.

Q. Now, then, calling your attention to the early part of the morning, state what, if anything, unusual happened on the morning of the 20th of this month.—A. Well, the first thing that I noticed in the morning was four militiamen coming to the colony, as I understood it afterwards to arrest a man without a warrant, as I understood it, and that Mr. Tikas told them they could

take anyone out of the colony if they had a warrant, but without a warrant they could take no one, as I understood it afterwards. This detail of four, as I understand, that they were to get that man by noon or that they would search the colony. At that time the militia were lined up on the C. & S. E. tracks. So I went in the store and said to my partner, it looks to me like there is something in the wind.

Q. Who is your partner?—A. Bill Barden.

Q. Where is he?—A. In Trinidad.

Q. What else?—A. So Mr. Tkas, as I heard later, heard rumors that the men were lining up on the other side of the track, that the militia and guards were lining up down there, and so he went down to verify that statement; he was a man that did not believe everything that was told to him; and on his way back three shots were fired, I think they were signal shots of some kind, I think it was meant to bring the rest of the militia out of the different canyons.

Q. What did it sound like?—A. Dynamite; it must have been.

Q. That is what it was.—A. In about two or three minutes, I couldn't say exactly, there was another bomb fired off and a third one.

Q. Did they come from the militia camps?—A. Yes, sir; from the grounds that are occupied with the soldiers, where the old K Company used to be. Just when these bombs were fired I looked up the track and I saw men on horseback, I supposed it was the cavalry. I could see those men hurry around that C. & S. track there by the C. & S. E. bridge. So the men in the colony left the tents so that if they started anything that the firing would be directed away from the women and children of the tent colony, as I looked at it. The militia-men were going in a southeasterly direction.

Q. Were the inhabitants of the tent colony leaving the tents?—A. Yes, sir.

Q. Where were you during this time?—A. I was right there on the grounds, I was locking the store to start for home to protect my wife and children.

Q. What time were those bombs set off?—A. Somewhere between—well, I couldn't say exactly.

Q. Well, approximately?—A. About 9 o'clock or a little after.

Q. How soon after the bombs were fired was it before the firing began?—A. I couldn't say.

Q. Tell the jury where the shooting came from mostly, which direction.—A. From the Colorado & Southern tracks.

Q. How long was the fire kept up toward the tent colony?—A. Well, the firing ceased about 12 o'clock at night. I don't know if they kept it up continuously at the tents or not.

Q. Were any of the tents struck by bullets?—A. Yes, sir.

Q. To what extent?—A. I could not say.

Q. Did you see the tents catch on fire?—A. They were on fire before I got to look at them.

Q. I will ask this question: Do you know whether or not there were any shots fired from the tent colony occupants toward the soldiers?—A. No, sir; not that I know of.

Q. Did you fire any?—A. No, sir.

Q. When did you get out of the colony?—A. As I judge, it was between 12 and 1, or 1.30, anyhow.

Q. Was your tent struck by any bullets?—A. Yes, sir.

Q. How often?—A. It was struck four times that I know of, of my own personal knowledge.

Q. State whether or not any of your family were killed.—A. Yes, sir.

Q. Who?—A. Frank, he was 11 years and 11 months old.

Q. Where was he?—A. He was sitting in a rocking chair when he was struck.

Q. Where was he struck?—A. By the temple, and tore out the brains.

Q. Did it affect the remaining brains?—A. Yes, sir; tore them out.

Q. Broke his skull?—A. Yes, sir; we have not been able to find the pieces of the skull.

Q. Tell what happened from the time that he was killed until you got out of there.—A. He was killed, I should judge, about 5 o'clock in the afternoon of the 20th of April. I had been outside and I heard the bullet pass by me. I had just stepped out, and I heard it strike something. I heard two distinct hits of that bullet; my next boy to Frank, George, said "Frank is shot." I said, "Where?" and I jumped in the other room and caught the boy before he fell out of the chair. Just then a bullet went over my head, and so I had to let the boy down on the floor on the wounded side and I layed down beside him. My wife was in the cave, and I said to her, "Frank is dead." He was still in convul-

sions. I picked the boy up and put him between the beds. My wife had started to come out of the cellar, and she fell in a faint, so I grabbed her. Then I went and got some water that my wife had been preparing to wash the dishes in and tried to wash the blood off of Frank's face, but the firing came so heavy that I had to stop. Finally I went over to Toller's tent, and from what I have heard since I must have come back in all that heavy machine firing. I got back home and I got down on the floor and took both of Frank's hands—he was just drawing up—and layed them across his chest, and then went into the hole with my wife and the other children.

Q. When did you get out of there?—A. Somewhere around 12.30 or 1 o'clock.

Q. Did anybody come to your tent while you were there?—A. Yes, sir; the militia came there.

Q. Who were they?—A. I don't know them.

Q. What did they say to you?—A. They set fire to the tent and opened it and come in.

Q. They set fire to your tent?—A. Yes, sir. My wife then said, "For God's sake save my children." I didn't want them to know I was there, but just about that time sister said something to me.

Q. What did they say to you?—A. They said, "What in hell are you doing in there?" I told them I was trying to save my wife and children, and they said, "You son of a bitch, get out of there, and get out God damn quick at that." My wife was out by that time; I believe one of the officers helped her out. I told them to hold on, I had a boy killed in there, and they told me to get him out damn quick. I picked the boy up and laid him down outside so I could get a better hold on him. I asked some of those fellows to help me carry him to the depot, and he said, "God damn you; ain't you big enough?" I said, "I can do it." I took him on my shoulder and sister by the other arm, and just then some one of the militiamen stopped me, and said, "God damn, you son of a bitch, I have a notion to kill you right now;" he said, "You red-neck son of a bitch; I have a notion to kill you right now."

Q. Do you know who he was?—A. I think I do; he is a guard in uniform.

Q. What is his name?—A. I would rather not tell it unless I just have to.

Q. Will you tell it to me in private?—A. Yes, sir. My wife kept on pleading. He said, "You have done as much shooting as anyone else around here." And I just kept on going until I got to the depot.

Q. Did your wife go with you?—A. Yes, sir.

Q. Were the tents burning at that time?—A. Yes, sir. While I was passing Snodgrass's store this man—that officer, Mr. Linderfelt—flashed a light and said, "What God damn red neck have we got now?"

Q. Which one said that?—A. The one we call Jesus Christ.

Q. Do you mean E. K. or K. E. Linderfelt, the man with the bull face?—A. That is right; he is bullfaced.

Q. He is a captain?—A. We used to call him lieutenant, but I think he is up in ranks now.

Q. Why did you call him Jesus Christ?—A. He told Mrs. Lowe that he was Jesus Christ, and that the other fellows were his Jesuses, and so we always called him Jesus.

Q. Where did you stay the balance of the night?—A. At the Ludlow depot.

A. Who was in there?—A. Some gunmen and militiamen.

Q. What were they doing?—A. Some laying on the floor, sleeping; some joking and passing different remarks, joshing. One of them said, "I got one red-neck son of a bitch, and at daylight I will go up and get another one."

Q. Did you stay in the depot all night?—A. Yes, sir; we had to, and about 5 o'clock they let me go over to Frabur's house, just before the No. 7 train was due.

Q. Did you know Louis Tikas during his lifetime?—A. Yes, sir.

Q. He is dead now?—A. Yes, sir.

Q. Did you know Mr. Fyler?—A. Yes, sir.

Q. Do you know how many women and children perished in that hole?—A. I heard that 11 children and 2 women and 1 man.

Q. That is right, according to the coroner's testimony.—Mr. Snyder, you have lived in the tent colony practically ever since it started?—A. Yes, sir; that is the only home I ever had and the only one I ever knew of.

Q. Do you know of any reason why those militiamen and guards should have burned that tent colony?—A. Just to get rid of us.

Q. Do you know whether or not the militia or mine guards or anybody else ever threatened to burn the tent colony? Or have you ever read it in any of

the Trinidad papers?—A. I didn't have to read the papers. I am not positive, but I believe I have read it in the papers that they would clean out Ludlow. I was told to get out of the county by one of the militiamen and for me to stay out.

Q. You were told to leave the county?—A. Yes, sir.

JUROR. Were you ever at the ball game on Sunday?

A. No, sir.

#### TESTIMONY OF WILLIAM HALL.

WILLIAM HALL, being first duly sworn, on oath testified as follows:

Witness was examined by District Attorney J. J. Hendrick:

Q. State your name.—A. W. J. Hall.

Q. What is your business?—A. Automobile driver.

Q. For whom?—A. For myself.

Q. Did you have your automobile out near Ludlow on the 20th day of this month?—A. Yes, sir.

Q. What was the occasion of your being out there?—A. I was out at Tabasco, Mr. Hendrick.

Q. Did you go through Ludlow?—A. No, sir.

Q. Do you know anything about what happened out there that day?—A. Nothing, except I was there when the special train went out with the militiamen, and so forth.

Q. What, if any, experience did you have?—A. Well, I came out from under that cement bridge that the train passes over about half way from Rameyville, and I was stopped.

Q. Who stopped you?—A. I presume he was a militiaman. I then recognized Capt. Carson. He was telling me to stop; he waved for me to stop, rather; there were others there that I did not recognize.

Q. What time of day was that?—A. Shortly after 4 o'clock.

Q. Who was with Capt. Carson, if anyone?—A. There was from 50 to 100 men there with him that I did not recognize.

Q. That train was going north to Ludlow?—A. Yes, sir; but everybody got off there by Rameyville.

Q. Did you have any conversation with any of those men as to what they were going to do?—A. No, sir.

Q. Did they say anything to you or not?—A. One of those men asked me to drive the machine up the hill for them; he told me he wanted to put the machine gun in my machine, and asked me to drive the car back for him.

Q. Did he say anything to you about what was going on at Ludlow?—A. Not to me.

Q. Did you hear him say anything to anyone else?—A. Things were said at random to everyone, but not to me.

Q. What did you hear said there?—A. I heard some one ask where the militia and guards were located and where the strikers were.

Q. Those men were on the train, you say; where did they get off?—A. At Rameyville. Jack Cold loaded the machine gun in my machine. Jack took care of the machine part of it, and another fellow held the tripod, and I took it up the hill for them.

Q. Where was the machine gun unloaded at?—A. Right at the crest of the hill by the C. & S. E. tracks, Mr. Hendrick.

Q. Was that near the big steel bridge?—A. There is a general large hill near the steel bridge. That is where the machine gun was unloaded at.

Q. What were they going to do with the machine gun?—A. They did not say anything to me.

Q. What did they take it out to Ludlow for?—A. I don't know; I presume to shoot.

Q. Mr. Hall, did you hear any order given there that day?—A. Yes, sir.

Q. What were those orders?—A. The orders were for those men to go in and clean out that colony. For them to drive everyone out and then to burn the colony.

Q. You heard those orders, did you?—A. Yes, sir.

Q. Did they put any ammunition in your machine?—A. Yes, sir; they put some boxes in there; I supposed that it was ammunition.

Q. What kind of boxes did they put in your machine, if any?—A. Big long boxes; the dimensions were probably about 6 inches high and 12 by 18.



Q. Were they machine-gun shells, or what was in those boxes?—A. I didn't know. Some were machine cartridges, I suppose, and some of the boxes had been opened, and all the men were loading up with ammunition.

Q. Those orders were to go out and destroy that colony and to burn the tents?—A. Yes, sir.

Q. Who gave those orders?—A. I don't know; some man in uniform.

Q. Some man with shoulder straps on?—A. I couldn't say.

Q. Had you ever seen him before?—A. I couldn't say.

Q. Have you seen that man since?—A. No, sir.

Q. Now, then, Mr. Hall, after they loaded that gun in your auto you took it up so far for them, and then they carried it the rest of the way, did they not?—A. Yes, sir; I took it to the top of the hill.

Q. How long after that was it before you heard any shooting?—A. I don't know.

Q. Did you hear the machine gun in operation?—A. I heard something that I thought was the machine gun.

Q. Describe what kind of a noise it was making. Was it a rapid noise?—A. It was very rapid, Mr. Hendrick.

Q. Did you leave there and come back to Trinidad?—A. No, sir; I stopped at Rameyville.

Q. What did you stop at Rameyville for?—A. We were not in a position where there was any firing; we were on the hill.

Q. Did you hear any of the shooting where you were at?—A. Yes, sir; we could see the dust raise.

Q. How long did you remain there, Mr. Hall?—A. In the neighborhood of an hour and a half. It was 6 o'clock when we left Rameyville for Trinidad. I stopped on the hill, and if the firing had come my way all I would have to do would be to drive down the hill and be out of range of the bullets.

Q. Who was with you, Mr. Hall, if anyone?—A. Mr. Ryan and his daughter and another fellow, I think his name is Laird; he is a friend of Mr. Ryan's.

Q. Did you see the tents burning?—A. No, sir.

Q. Mr. Hall, do you think you could recognize the parties that gave orders to clean out the tent colony? Would you recognize the man that put the machine gun in your machine?—A. I could recognize several of the parties, the one with the machine, but I don't believe I know who gave those orders, Mr. Hendrick.

Q. Did you carry that machine and ammunition in your automobile, voluntarily or not, Mr. Hall?—A. No, sir; I did not do it voluntarily, Mr. Hendrick. Those men seemed to have full authority over the car, and from the way I have seen them act around Trinidad here, I thought it would be best not to refuse to carry that stuff for them. I was under the impression that it was of no use to try to resist letting them have the car.

Q. Do you know if there were two machine guns from Trinidad?—A. I do not. However, if there were two machine guns from Trinidad I didn't see it, but I don't think that there was but one. Unless there was a possibility of two being clamped together, and I don't believe there was.

Mr. HENDRICK. That is all.

JOHN F. HARRIMAN.

JOHN F. HARRIMAN, being first duly sworn, on oath testified as follows:

Witness was examined by District Attorney J. J. Hendrick:

Q. State your name please.—A. John F. Harriman.

Q. What is your business?—A. Railroad conductor.

Q. Of what road?—A. Of the Colorado & Southern; freight conductor.

Q. Between what points on this division do you run?—A. Pueblo to Trinidad.

Q. When making your trips do you pass Ludlow?—A. Yes, sir.

Q. State to the jury if you passed Ludlow on the 20th of this month.—A. Yes, sir.

Q. What direction were you going on that evening or day?—A. Coming south.

Q. Did you pass the Ludlow tent colony, or what used to be the Ludlow tent colony?—A. Yes, sir.

Q. At what time of day?—A. About 7.05 p. m.

Q. Who composed your train crew?—A. Engineer Bashford, Fireman Mack Alexander, Head Brakeman A. J. Riley, Rear Brakeman J. H. Gordon. We also had passenger on, Mr. Lowery, the D. & R. G. coal inspector.

Q. What is his first name?—A. I don't know.

Q. When you reached Ludlow that evening what, if anything, attracted your attention at or near the tent colony?—A. When rounding a curve, perhaps a mile and a half north of Ludlow, just on top of a hill, I noticed a fire. I was in the cupola in the caboose I first took it to be the depot, but I couldn't tell until we got closer what it was.

Q. What did you discover it to be?—A. The tent colony. The strikers' tent colony.

Q. Which tent was burning?—A. The first tent; the first three tents on the southwest corner were burning.

Q. Did you stop your train?—A. We stopped; yes, sir.

Q. State what occurred.—A. We come in there about 7.05 p. m. We were to take the sidetrack and let No. 2 pass; we were to take the sidetrack; the switch is nearly opposite the colony, only a little bit south of the opposite side when we stopped to take the sidetrack, when the gunmen and the militia under the tank, about 15, stuck their guns in the engineer's face and told him to get out, and to be God damn quick about it, we made no effort to go to the sidetrack then.

Q. What did you do?—A. We pulled out of there right away; we stopped there not to exceed a minute or two minutes, and we pulled through the switch and didn't stop any more.

Q. Did you have any conversation, or did Mr. Bashford have any conversation, with what you termed as gunmen, with reference to the burning of the tents?—A. I believe they told me they were shooting up the colony.

Q. Is the engineer here?—A. No; he went out on the 1.30 train to-day.

Q. Was he subpoenaed, Mr. Coroner?—A. We was; but we could not find him.

Q. How long did your train remain at Ludlow, Mr. Harriman?—A. Not to exceed two minutes; we got away just as quickly as we could, the firing was so hot.

Q. Did you or any of your crew make any effort to extinguish the fire?—A. No, sir.

Q. How many men did you see there with guns?—A. I had about 36 cars on the train and that put me back quite a distance, about four times twelve or thirteen hundred feet back of where the engine was. When I saw the tents were afire I jumped down from the cupola and went to the back door of the caboose and stepped out, the bullets weren't in my range, but just as I started to get back in a bullet sung by me through the air, so I went back in the car and went to my desk and blew out the light and hung my lantern up, and when we started to pull up I looked out the right-hand side of the door, on the right side of the tracks, and I could see the guns flash toward the colony from the point on the steel bridge across the arroyo and past the tank, when we got to the tank I saw several flashes.

Q. Do you know how many were there?—A. No; I don't; under the tank I would judge about 15. They laid along all the way to the pump house to the tank, this side of the tank, clear up to No. 2 switch, and that would be about 1,000 feet.

Q. Did you notice any soldiers come in the depot?—A. We didn't stop there; we kept on going. I looked out on the left side when passing the depot, and I didn't see anybody.

Q. Do you know how long those tents had been burning?—A. I should judge but a few minutes.

Q. How far were those men from the tents?—A. Well, along the track under the tank, just outside of the right of way, and they were on the other side of the right-of-way fence, about 1,000 feet from the right-of-way fence, to the first tent, or maybe 150 feet.

Q. Did you notice any persons at or near where the tents were burning?—A. No, sir; nothing but women and children crawling out of the right-of-way fence. They seemed to be, as I concluded, taking the advantage of the train while we were between them and the soldiers, and they were crying. I saw as many as 15 or more women and children getting out of there while we stopped there.

Q. Which direction were they shooting then?—A. Toward the colony; that is, according to the flash of the guns.

Q. Anything further you know, Mr. Harriman?—A. I don't believe there is anything else I could say.

JUROR. Was there any shooting from Water Tank Hill?

A. That is near the C. & S. E. bridge near Ludlow. I didn't see anybody there; it was dark.

JUROR. Did you hear the machine gun there?

A. The train was making considerable noise, and if there had been any shooting to any great extent I might have heard it, but I couldn't say.

Mr. HENDRICK. That is all.

A. J. RILEY.

A. J. RILEY, being first duly sworn, on oath testified as follows:

Witness was examined by District Attorney J. J. Hendrick:

Q. What is your name?—A. A. J. Riley.

Q. What is your business?—A. Freight brakeman on the Colorado & Southern.

Q. Between Trinidad and Pueblo?—A. Yes, sir.

Q. Were you a member of that train crew on last Monday night, the 20th of the last month, coming from Pueblo to Trinidad?—A. Yes, sir.

Q. You came through the town of Ludlow?—A. Yes, sir.

Q. As you approached the town of Ludlow on the north, what did you see?—

A. My attention was attracted to the fire; the blaze of the tents.

Q. What part were you on?—A. On the engine.

Q. Your train stopped there?—A. Yes, sir.

Q. For what occasion?—A. We had to let the passenger train pass us there. I saw the tents blazing, two of them. Then I saw a man in a military uniform touch a blaze to the third tent.

Q. Repeat that, I didn't hear you.—A. I saw a man in uniform touch a blaze to the third tent; this was at 7.05 p. m.

Q. How many armed men did you see around there?—A. I judge there were about 100 strung along there from the arroyo and the pump house up to about No. 2 switch in the yards.

Q. That is, almost to the depot?—A. Yes, sir.

Q. Who was on the engine besides you?—A. The engineer, Bashford, and fireman, Alexander.

Q. What, if anything, was said by any of the armed men there?—A. Yes, sir..

Q. What was said?—A. Ten or fifteen stuck their guns up to our faces and told us to move on and to be damn quick about it or they would shoot us.

Q. Did you say anything to those men?—A. No, sir; not a word.

Q. Who were those men that stuck their guns up in your faces?—A. Uniformed men.

Q. Did you see anyone that didn't have a uniform on?—A. No, sir; I didn't notice in particular.

Q. Did you see any women and children there?—A. Yes, sir.

Q. Where were they going?—A. Along by the right of way, screaming and crying.

Q. Where is Mr. Alexander?—A. He is on the engine to-day.

Q. He and Bashford both?—A. Yes, sir.

Q. Is there anything further you can state?—A. Nothing; but there was considerable shooting from the right side of the track from the guards.

Q. Was there any machine guns in operation that night?—A. The train was making considerable racket, so I couldn't have heard; but I did hear rifle shots.

Q. The machine was south of the depot by that steel bridge, on what is called Water Tank Hill. Have you seen that?—A. No, sir.

Q. You don't know if it was being operated?—A. No, sir.

JUROR. Did you hear any shots fired from the colony?

A. No, sir.

Mr. HENDRICK. That's all, Mr. Riley.

AFFIDAVIT.

STATE OF COLORADO, *Las Animas County*, ss:

Mary Petrucci, of lawful age, being first duly sworn, on oath testified as follows: That her name is Mary Petrucci; that affiant had started to wash, and a little later heard two bombs go off, and noticed the soldiers running toward the steel bridge, and they started to shoot down at the colony; affiant states that it was about 9 o'clock; and then affiant went into her cellar hole; that

when affiant went into her cellar hole she took her three children, ages 4 years, 2½ years, and 6 months, respectively; that affiant remained in the cellar until 6 o'clock in the evening, when her tent was set on fire; affiant states that her tent was the first one fired, as her tent was No. 1; affiant states that her tent was the tent nearest the railroad track; affiant states that when the shooting commenced with the machine guns the bullets were so thick in the tent that she shut her cellar door; that about 6 o'clock in the evening affiant saw some fire on her cellar door, and on looking out saw that her tent was on fire, whereupon she took her three children and went to the cellar hole occupied by Mrs. Costa and other women and children to affiant unknown; that shortly after affiant reached the above last-mentioned cellar hole the tent took fire, and the women and children commenced to cough, and they were all choked with the smoke; affiant further states that she lost consciousness until the next morning, when she touched and called to her three children, and they were all dead; affiant states that she went to the Ludlow station and came to Trinidad; affiant states that she does not remember anything of the trip from Ludlow to Trinidad; that affiant was taken sick with pneumonia caused by exposure and grief; affiant states that on account of being ill she never saw her three children after leaving them in the cellar hole; affiant states that when she came out of her cellar hole the guards were shooting after her, and she started to the cellar hole where Mrs. Costa was because it was dug in under like a mine, and affiant thought it would be safer, and the guards yelled, "Get away from there"; affiant states that she had the three children, and she had nowhere else to go, so I went in there.

Further affiant saith not.

MARY PETRUCCI.

Subscribed and sworn to before me this 11th day of May, 1914.

LEON V. GRISWOLD, *Notary Public*.

My commission expires September 10, 1917.

#### AFFIDAVIT.

STATE OF COLORADO, *Las Animas County*, ss:

William Snyder, of lawful age, being first sworn, on oath deposes and says: That his name is William Snyder. On Monday morning, April 20, at 8 o'clock in the morning, or about, after the gunmen had lined on the Colorado South-eastern tracks, they sent a detail of four to the Ludlow tent colony, presumably to arrest one man without a warrant. We refused to give up the man without the due warrant of law; that the said detail said that they would get their man if they had to search the camp; that we were to produce that man by afternoon or they would search. They went over to old Company K camp and reported, and from there they fired three signal shots, dynamite, I guess, or they would search. They went over to old Company K camp and reported, and from there they fired three signal shots—dynamite, I guess they were using—and all guards began to pull out of the canyons, that comprises the two canyons, and also between 20 and 30 cavalry on horses left the Company K camp and crossed the C. & S. track, main line, by the depot and took position south of the C. S. E. tracks. Our men realizing that trouble was in the air, in order to avoid a massacre and the shooting of men and children, went to the C. & S. E. tracks on the north and took up a position against them to keep them away from the women and children; that the gunmen, to start trouble, undoubtedly fired the first shot, and from that time on the battle raged, they using their machine gun, three machine guns being in action; that at about 4.30 our men, running out of ammunition, had to retreat, and from that on the Baldwin-Felts took our position and the colony, and they shot up the colony with the machine gun and rifles and started to burning the tents, not stopping to look if there were any women, children, or anybody else around. Owing to us turning our arms into the militia several times they took advantage of our unarmed situation and tried to carry out the threats that they had made—that they would clean Ludlow out, and did.

I myself, not being armed, stayed on the tent-colony grounds to protect my family to the best of my ability, and that about 4.30 p. m., when the thugs or militia had right flanked our colony and shot through my tent and killed our boy, showing clearly that they did not stop to see whether there were any

women or children on the colony ground or not. Just previous to the time the boy was shot he got out of the hole or cave, where my children were, to get his sister a drink of water, and as the firing had slackened the children had left the hole, being out of the hole from five to eight minutes, and stepped into the bedroom of my tent. The boy Frank was sitting in the chair with his sister on the floor between his knees, and he was in the act of stooping to kiss or caress his sister when the bullet struck him above the temple on the right side and blew his brains out. I was standing near the front door of my tent and I heard the impact of the bullet striking the boy's head and the crack of the bullet as it exploded inside of his head. The boy was killed by an explosive bullet. I went to the boy to render what assistance I could, and while falling I caught him in my arms and in the act of letting him down to the floor two more bullets passed over me in the tent. Then I went to the hole where my family and children were, and seeing the boy in his death struggles went to him again; was in the act of washing his face when another bullet went over me. The firing became so heavy that I went to my family and stayed in the cave with them until they burned the tents. They fired this tent of mine by standing by the southeast corner with a piece of paper on fire in their hands, and as the tent was blazing they came in the tent. This I observed by looking out of the hole where we were located. As the tent was in flames they opened the door and came in, and then my wife pleaded to save her children, telling them they had already killed one, and for God's sake to save the others. Whereupon this officer assisted Mrs. Snyder from the hole and the other children.

By this time there was five or six of the militia or thugs in the tent and wanted to kill me; and I asked them to let me get my dead boy to the depot, and to which this officer consented, after cursing me, putting a gun to my head and threatened to kill me, and on leaving the tent with the corpse I laid him down outside of the door and put on my coat and I requested some one to help me carry this boy to the depot, when I was told that I was big enough to carry him myself, and which I did over my shoulder and my 3½-year-old daughter in my arms, when George Tittsworth, sr., who, to the best of my knowledge, set fire to the tent, threw a gun on me and said, "You God damn dirty son of a bitch, I ought to kill you right here; you have fired as many shots as anybody," and he touched my head, or nearly so, with his revolver and said, "I will kill you." My wife pleaded in behalf of her dead boy to let us get him to Trinidad, and this officer escorted us to the depot, but on passing Snodgrass's store at Ludlow Linderfelt threw his flash light in my face and wanted to know what "God damned red neck S. B. they had here," when Mrs. Snyder says to Linderfelt, "Please don't shoot him; they have killed one of my children already," when Linderfelt says, "It is a damned pity that all of you damned red-necked bitches were not killed." But we kept on till we got to the depot, and there the floors were covered with the thugs and provisions that had been robbed from Snodgrass's store, and they were joshing and making remarks over their day's work. While lying there listening to these remarks I heard one in particular say that he knew he killed one at the bridge and would have to go down at daylight and try and get another one. I heard several say they had killed one, two, or three, and they thought that they had a pretty fair day's work, but also thought themselves that the regulars would be in the next night.

I was called into the baggage room to be consulted by some officer in regard to the leaders and Louis Tikas in particular. They asked the question if Louis Tikas was not the cause of the troubles and a leader of the Greeks, and I answered, "No; he was the interpreter." They asked me if I saw a gun on Tikas, and I told them "No." They said, "Well, we killed him to-day and found a gun on him." Then they asked where the gunmen got their arms and ammunition; I said, "I do not know." I did not have any myself, so I was then asked what I was coming to Trinidad for. I told them as I had no place else to go at present I had to go to Trinidad to get relief and a place for the family to stay and to bury my boy. I was then advised I had better get out of this country altogether.

At the time the machine guns were turned on the tent colony the strikers were taking to the hills on account of their ammunition being used up.

Before the signals were fired Louie, having been notified that the south of the C. & S. E. tracks were swarmed with the militia with machine guns in position, pointing toward the colony, he went personally himself to see, and

while coming back to notify the colony of the conditions the men had found out for themselves and started back to direct the fire away from the women and babes. All my earthly effects and cash were destroyed.

Further affiant saith not.

WILLIAM SNYDER.

Subscribed and sworn to before me this 1st day of May, A. D. 1914.

[SEAL.]

LOUIS GRISWOLD, *Notary Public.*

My commission expires September 10, 1917.

AFFIDAVIT.

I lived in Ludlow tent colony from September 25, 1913, until it was destroyed. We lived peacefully and happily together. We had no trouble whatever unless interfered with by guards or militia. On the — day of October we observed an automobile passing. It stopped, one man got out of it, and a shot was fired into the tent colony. That shot passed right over my head. This started a battle which lasted a couple of hours, during which no one to my knowledge was hurt. I was not in Ludlow colony during battle which followed a couple of days afterwards. I do not know, of my own knowledge, what happened at that battle. After that we were not annoyed until some time in November. One Saturday, it being pay day at the colony, some ranchers came down for their pay. Mrs. Odell and I did not have lamp chimneys, so Mrs. Haddow and I decided to go to Cedar Hill, that being the nearest place we could purchase them. When we left the colony the men were lined up receiving their pay. When we got to the section house we saw about eight guards on horseback coming toward us and coming fast. I said to Mrs. Haddow, "I would not be surprised if there would not be a fight when we come back." The guards always stationed themselves at the steel bridge, while fighting the union men, in order to protect themselves. To reach our homes, on our way back, we had to pass under this steel bridge. Before we got to the bridge on our return, two of our men, Italians, I think, told us to turn back, that the guards were shooting at them. Before we could turn the guards saw us, and began shooting toward us. We were compelled to go back to Cedar Hill and stay in the store until 9 o'clock, when the battle ceased until next morning. Our men, in order to protect us, always went to the hills, so when the guards started to shoot, our men had taken their guns and gone into the hills. The battle began again Sunday morning and lasted until afternoon, when word was received that the militia was coming. On Monday Dr. Lyons made a speech to the men, telling them to give up their guns to the militia. The miners gave up their guns. I do not know how this last battle started, for when I left our men were all in line ready to receive their pay.

Apparently the militia was all right. Some of them came to our dances. They were treated fine until they started searching our tent colony. Company K, when they came to search, treated us respectfully, but other companies treated us rotten. On the 31st of December, 1913, they came down to search, saying they were looking for guns. I told them we never have any guns in our house.

There was a company from Berwind, and six of this company came with their officers to my tent. He said to the men, "Tear up every damn board in the floor." They tore it up, and soon the officer came by and said, "Has your tent been searched?" I told him "Yes," and showed him where the boards had been torn up. I asked him if I could nail my floor down. He told me "Yes." My husband just got my floor nailed down when he came back and had it torn up again. This continued until my floor had been torn up three times. He said to one of the fellows in Company K, "Did you go through this damn stove?" The soldier replied that he did not think ammunition would be put in a stove where they had fire. Nevertheless, he was made to search the stove. I had a tent where I had my furniture stored. They handled my pictures so roughly that all the glass was broken and mirror in my dresser smashed.

The last time they searched, their excuse was that they were looking for some one who had been shot, and after they got in the colony, they searched the tents. This time they went through cupboards, dresser drawers, trunks, examined mattresses, but destroyed nothing. After that everything went on all right until the 19th day of April. On that day we were having a ball game. Four of the militia on foot, and one on horseback came to our ball ground. The four on foot had rifles, which were pointed toward the crowd. The soldiers

had attended the ball games before, but had never brought their rifles. I thought to myself, "They are going to try to start trouble," but did not say anything. One of the men said to them, "You may watch the ball game, but it doesn't need guarding." The man on horseback then called to the man and told him he wanted to speak to him. The miner said he did not have time as he was playing ball. The soldier said, "I'll take you to the guardhouse and make you have time." A number of us women stood by and jollied the soldiers. One woman said, "If we women would start after you with baby guns you would drop your rifles and run." I turned around and laughed. He said, "Never mind, girlie, you have your big Sunday to-day, and to-morrow we will get the roast." I did not answer, but laughed again. He said, "It would only take me and my four men to clean out this bunch."

Then we went home and everything was quiet. In the evening we went to a dance. My husband came in and told me I had better go home, because those four men had come down to the tent colony and were trying to start trouble, but nothing happened until next morning, April 20, when a little after 8 o'clock I went up to Mrs. Jolly. She, Louis Tikas, and I were looking at some pictures that we had taken of our Easter Sunday ceremonies, when some one came in and told him that there were four militiamen there to see him. When he went out a soldier handed him a piece of paper with a man's name who was not in the tent colony. Tikas asked him who gave him authority to get this man, and did he get his authority from the civil authorities. The soldier told him no; he got it from the military authorities. Tikas told him that he understood that the military authorities in Las Animas County was out of commission. The soldier then said: "If you don't produce this man by afternoon, we will search the tent colony." Tikas then asked if Maj. Hamrock was up at the military camp. The soldier said, "Yes." Tikas told the soldier he would like to speak to Maj. Hamrock. Then they went away, the spokesman saying in a mean manner: "All right, we'll be back again." We went back to Mrs. Jolly's house to get the pictures I was looking at. I went home, put them in an envelope, and had them all ready to send when some one called: "Look out for trouble; the militia is coming." My children had just got out of bed, and were not all dressed. I ran out to see if the militia was coming. When I got out I met Mrs. Thomas, who said: "We had better take our children and go to the pump station, for I think there is going to be trouble." I did not think myself that there would be, but I told her to take my children, and if anything did happen they would be there. I then went over to where my husband was, in front of the tent colony, when I saw Tikas running toward the colony waving a white handkerchief, and when he was near the tent colony one bomb was fired. Before the second was fired he was in the tent colony and the machine guns began firing. On hearing the bombs our men started toward the D. & R. G. tracks on their way to the sand hills to lead the fight away from the tent colony. As Mr. Costa went by me I said: "Charlie, be careful, the soldiers are all around those hills." He said: "We must lead the fight away from the colony, or those machine guns will kill every woman and child in here." My husband told me to run to the children. I ran to the pump station and got in the barn. I stayed there until 7 o'clock at night.

From about 10 until about 5 o'clock shooting was almost continuous, not ceasing more than from three to five minutes. From about 3 to about 5 o'clock the bullets around us rained like hailstones, several of the bullets passing through the barn where we were hiding. I can not be sure of the time, but I should judge it to be about 6 when I first saw the tents burning. Mr. Barton said our only hope of escape would be if a train should come by. About an hour after a freight train came by, and I, with my children and about 14 others, I think, started for the arroyo. After we came out of the barn I looked to see if I could see any of the militia, and saw four standing behind a barn above us. As I stopped to get under the fence, two shots were fired at me, and missed me by about 2 feet, striking at the feet of a woman with a little baby in her arms. I laid still several minutes fearing to move. The woman fainted, and her baby fell. I can not remember how I got this woman, her baby, and my children into the arroyo. I remember seeing a dead man. I had heard him with others singing "The union forever," after he was shot in the afternoon. We went from the arroyo to Baye's ranch, and stayed one hour. It was not safe there, so we went to another ranch about 6 miles from there. We got a wagon from Mr. Bayes, put the old women and children in the wagon and the rest of us walked to this ranch, arriving about midnight. About 9 next morning Mrs. Thomas and I started to the Black Hills, a distance of about

6 miles, to secure water for the men. When we got at the foot of the Black Hills we met 10 Greek boys, who told us they had taken the men water so we need not go farther. We met a man in a wagon who took us back to the ranch. Later in the afternoon he brought us to Trinidad. I did not have on sufficient clothing when attacked, and my children were barefooted, not being fully dressed. I lost all of my possessions in the Ludlow battle.

MRS. MAGGIE DOMINISKE.

Subscribed and sworn to before me this 11th day of May, A. D. 1914.

[SEAL.]

LEON V. GRISWOLD, *Notary Public*.

My commission expires September 10, 1917.

---

AFFIDAVIT.

I was in Ludlow during the fight. I live close to the depot. My husband was not a striker, being a railroad man. About 9 o'clock Monday morning, the 20th, I was washing my hair, when my husband came in and said to me: "Come here quick to me; come here quick; I want to show you something." He pointed up to the C. & S. E. track to the left side of the steel bridge. I looked and saw two machine guns and saw men fixing breastworks and men all along the track with rifles. Two men on horseback came galloping down from the direction of the steel bridge in a very great hurry. They passed me and met a number of other men, I presumed, to get orders; then all turned and started back in the direction of the steel bridge. As they passed us one of them, a Mexican, shouted: "Good, we're off." When I saw all this it looked like there was going to be trouble. I ran across to warn my neighbors. I noticed several men on the ball ground. I had not noticed any excitement at the tent colony. I came right back home. Then the bombs went off and the machine guns and rifles began. We immediately went to the cellar. We occasionally put our heads up out of the cellarway and watched.

Shortly after the bombs went off we could see men with rifles, with mining caps on, as though they had come out of the mines, come across between the cars from the direction of the military camp. During the day my husband and I stuck our heads up out of the cellar, and a fellow in uniform cursed my husband terribly. He pointed a gun at my husband and asked him if he was a son of a b—— and a red neck, and said if he was he would kill him. I pushed my husband back into the cellar and told the man we were not strikers but railroad people.

He said: "What in hell are you hiding for?" I told him we had to, on account of the shooting. We remained in the cellar until about 4, when the switch engine picked us up and took us to town.

MRS. MARIAN DEER.

---

AFFIDAVIT.

I lived in Ludlow tent colony about 7½ months. On Monday morning, April 20, about half past 8 or 9 o'clock my brother John, the two Mahady boys, and myself went to the ball ground to practice. Seeing the militiamen and the union men running for the hills, we ran to Snodgrass's store for a hiding place. After we got to the store, we decided to go to the tent colony to get our clothes. We just got started when one of the bombs exploded, and we ran back into the store. The other bombs went off after we got back into the store. We stayed in the store until about 4.30 or 5 o'clock; then a shot went near a window, another passed near, and we went into the cellar. We stayed in the cellar until about 6.30 next morning. At about 2 o'clock we heard an awful racket in the store above us. I heard one ask another for a match. We thought our time had come. The dog belonging to the Italian kept whining and scratching at the cellar door, but they did not discover us. The next morning about 6.30 we got out, got into a buggy belonging to an Italian rancher, and were trying to get away. Two guards pulled their guns on us and told us to halt. The Italian kept driving on, but I grabbed the lines and stopped him. They told us to get out of the buggy and hurry up. They told us to come up to them and asked us where we were going. In order to get away we told them we were going to work for the Italian on his ranch.



They asked us if we knew anyone around there, and we told them, "No, we didn't." They took us up to the C. & S. depot and called some one. Linderfelt came out. They had Dave Stewart and Rudolph Carson there, and when we came up he said to turn the other boys loose and hold us; that we looked guilty. They stood us up in front of the depot. The Italian was standing a little too far from my brother, so a soldier poked him in the ribs and made him cry. In a couple of hours an officer asked if we had had anything to eat. We told him we had nothing since the morning before. He told us to go with the guard to a store over by the post office and get something to eat. We told him we did not have any money. He told us it did not make any difference; we did not need any money. We went over and carried a lot of stuff over to the depot. I didn't care for much to eat just then, so ate a couple of apples and a bottle of soda water. They kept us here until 2 in the afternoon, and then took us over to the cookhouse. The cook told the officers he wanted us over there. Before they gave us our breakfast that morning they sent my brother, myself, and the Italian and a Greek, Mike Pappas, down near the pump house with cartridges. They said they wanted them to kill our wap friends with. Before this they told us to put a Greek who was shot in the foot on the train. Then we went to the military camp and carried water, coal, washed dishes, cooked, and did everything they asked us to do.

A man shot his gun accidentally at the depot. His name was Elston, I think. He belonged to the artillery. They took him prisoner and placed him guard over us. He was drunk nearly all the time. He cursed us and called us waps and red necks. While in the military camp I overheard them talking about starting to burn the red-neck store, but an officer came along and stopped them. While we were prisoners at the depot we saw Mr. Snyder putting his dead boy on the train. He was wrapped up in a white sheet. When we took the cartridges down near the pump house we saw Louis Tikas and Mr. Bartle lying dead by the road. The militiamen told us that Louis the Greek came out from the tent colony that night and begged for his life, saying he hadn't done anything to anybody and didn't want any trouble with anybody. They said at first they were going to hang him, but they told him to run, and then they shot at him. Some of the soldiers told us that Linderfelt wanted to make us run and then turn the machine guns on us, but some of the men said they would not stand for it, and went and got Maj. Hamrock. They said he said we had not done anything, and they did not need to do that.

One fellow by the name of Masters kept blowing about taking a watch from Mr. Fyler after he was dead. He cursed him and called him a red neck. It was either Mr. Fyler's watch or one just like it. They said Mr. Fyler came out with a bag of money in one hand and a gun in the other. They told me they wanted him and they got him. One of them said if he had been up when Mr. Snyder went away he never would have got away, that it should have been him killed instead of his boy.

They said Mrs. Jolly came out with a Red Cross, that she was working in a red-neck hospital down there, and that they shot her in the arm. They took two Slavs off the mixed train, searched them, and, when they found union cards, took them prisoners and took them up to the camp to work. One of the Slavs had a pretty good pair of shoes on; one of the guards told him to take his shoes off. The guard's shoes were worn out. He took his shoes off. He asked the Slav if his (Elston's) shoes would fit him. The Slav put them on and said, "Yes." Elston then told him to keep them, and he put on the Slav's shoes. Elston took the Greek's shoes and cut all around the heel. I did not see Elston do this, but the Greek said so, and I saw the shoe. He made the Greek work one night and all-next day without sleep. They were harder on the foreigners than on us. They made us work from 6 o'clock in the morning until 10 o'clock at night. Once we worked till after 2, another night until after 3. When we would get through Elston would take us to a box car they called the guardhouse, and tell the other guards to shoot us the first move we would make. A couple of nights after Maj. Lester was killed the guard, Elston, cursed us, called us red necks and waps, and told us if we made a move he'd kill us, that he had a notion to bore a hole in us anyway. I asked him what a wap was. He said I was a wap. Then he said foreigners were waps. I told him I was raised in this country the same as he was. They said they killed 13 women and children in one hole.

Lieut. Lamey (I don't know whether this is exactly right, they called him Lamey) seemed to feel sorry about it. They cursed Mr. McLennan, and said

they wanted to kill him. They told all of us not to speak to him. He looked so downhearted I spoke to him anyway. I do not think they saw me.

One of the officers told the guard to treat Mr. McLennan with respect because he was the president of the union. The lady postmistress out there they called red-neck postmaster. They did not like her either.

On Thursday they asked us a few questions. They asked us if we knew anything about the fighting; about who started it. We told them we did not know anything about it. We were afraid if we told the truth they would kill us. They then said they were going to hold us until they could get a lawyer there to take our affidavits. On Sunday night we were brought before Capt. Van Clise, Maj. Boughton, and some other military officer. They asked us if we knew who started the fighting and if the union men had made any preparations for fighting. We told them we did not know anything about it. We lost all our clothes. I did not even have a coat on.

They asked us why we did not go back to work. They said they would give us an order to any mine we wanted to go. I told them I didn't need any order, I knew all the superintendents and could go back without an order. They freed us Sunday night, but we had no money. We were afraid to walk for fear some one would shoot us, and we were afraid to ride for fear some of Linderfelt's bunch would get hold of us, and that would be worse, until Friday night when they gave us a ticket and sent us out. I had a little water spaniel that I thought so much of. He must have stayed in the tent because his hair and eyes were burned. He came to us Tuesday and they would not let me keep him. I felt sorrier about that than anything. We came to Trinidad Friday night.

GEORGE R. CHURCHILL.

Subscribed and sworn to before me this 11th day of May, A. D. 1914.

LEON V. GRISWOLD, *Notary Public*.

My commission expires September 10, 1917.

---

AFFIDAVIT.

STATE OF COLORADO,

*Las Animas County, ss:*

Mrs. Clorinda Padilla: About 9 o'clock I heard two signal shots fired, and about five minutes after they started to firing with the machine guns, shooting to the tent colony at Ludlow, and then I put my four children in the hole we had made under the tent, and we stayed there in the hole without food and water until about 11 o'clock at night. They were shooting all day long, never stopped a minute. During the day I heard Mr. Snyder say that his boy had been killed. The tents were full of holes, like lace. I came out of the tent for a minute to get something for the children to eat, and while I was out there they began shooting again and a bullet came close to me, and then I went back into the hole. At some time late in the afternoon they started to burn the tents. When the tents were first fired, they did not burn my tent; later in the evening the soldiers came back to fire the rest of the tents, and they heard my children crying, and they said, "There is a family in there," and they helped me out and took me and the children to the depot. While at the depot three Mexican guards got mad at the women and said they ought to be burned in the tents.

CLORINDA PADILLA.

Subscribed and sworn to before me this 1st day of May, A. D. 1914.

[SEAL.]

LEON GRISWOLD, *Notary Public*.

My commission expires September 10, 1917.

---

AFFIDAVIT.

STATE OF COLORADO,

*Las Animas County, ss:*

Mrs. Ed Tonner, of lawful age, being first sworn, upon oath deposes and says: That her name is Mrs. Ed Tonner. When Mr. Linderfelt came into camp with his auto load of ammunition, I heard Mrs. Costa crying, and she

began praying Santa Maria and begging him not to kill her and her little children, and he replied to her, "There is no use in you crying and carrying on, as we have orders to do this, and we are going to do it; no mercy on any of you."

MRS. ED TONNER.

Subscribed and sworn to before me this 30th day of April, A. D. 1914.

[SEAL.]

LEON GRISWOLD, *Notary Public*.

My commission expires September 10, 1917.

---

AFFIDAVIT.

STATE OF COLORADO,

*Las Animas County, ss:*

Ometomica Covadle, being of lawful age, being first duly sworn, on oath deposes and says: That her name is Ometomica Covadle. I was going up to the store in the daytime, and the guards were all around the tents, and they start to shoot at the tents, and I only had time to get hold of my baby son, about 10 years old, and get into the pump; and the soldiers came up and tried to shoot inside where we were, and that came out of the pump when they tried to shoot with the machine guns and went into the arroyo. There were two dead men, and they jumped right top of them. Couple of soldiers came out of the arroyo and was going to kill both of us, and the little boy raised up his hands and said, "Don't shoot, for my mother's sake." I had a machine, and the soldiers took it out, and a lot of other stuff, and took it to the depot and kept it. They stole a trunk full of my clothes; I saw them take it with my own eyes. I had \$5 in money that was stolen. They told me that I should be happy that you all were not killed.

OMETOMICA (her x mark) COVADLE.

Subscribed and sworn to before me this 1st day of May, A. D. 1914.

[SEAL.]

LEON V. GRISWOLD, *Notary Public*.

My commission expires September 10, 1917.

---

AFFIDAVIT.

STATE OF COLORADO,

*Las Animas County, ss:*

Mrs. James Flyer, of lawful age, being first duly sworn, on oath deposes and says: That her name is Mrs. James Flyer; the first we know is three soldiers came down and demanded of Louis Tikas that he give them a man that they wanted in the tent colony; that they wanted him; and he asked them who gave them authority to come there, and they said that they came under the military laws, and he told them that the military laws were out, and that they could not have anyone in the tent colony, so then they went away and Louie told them to send Maj. Hamrock down and he would talk with him, and they did not send him and Louie went to the depot to meet Maj. Hamrock, and they had quite a conversation up there and the first we saw of Louie he was coming down waving his handkerchief for the crowd to go back, as soon as he got in sight of the tent colony, and when he got to the tent colony Mrs. Dominsky and I were standing there, we were the only two that were out right in the crowd, and I walked over to my husband—he was looking for a pair of field glasses—and I asked if he had saw my boy, and he told me no, he had not; so just then they shot off one of the bombs and one of the machine guns on the D. & A. G. tracks; those were the first shots that were fired, and Louie waved his handkerchief at us and said, "Good by, I will never see you any more," so then we made our escape to the pump station. That was about 2 o'clock when the shooting started, and we stayed there all day, then, without even any water, food, or anything. Then, about 4.30, I would judge, they turned the machine guns on the tent colony with full force, and I should judge about 6 o'clock the tent colony started to burn, and about 7 o'clock a freight train came in from Aguilar, and we made our escape to the arroyo, and then we made our escape to Mr. Frank Bayes's ranch, and from there he hitched up his team and took us to Wineberg's ranch, and we landed there about 2 o'clock in the morning, and about 12 o'clock the next day we came to Trinidad. We got to Trinidad about

5 o'clock in the evening, and there I learned of my husband's death. I did not know he was killed until that time. The Sunday before, at 10 o'clock, we had a ball game, and we played the men and we got through about 1 o'clock; then we all went to the Greek's for our dinner, and then after that Louie took our pictures five different ways with our bloomers on; then we went back and played another game of ball in the p. m., about 2 o'clock, and during our ball game there were four of the militia came down, and each one carried a gun, a rifle in their hands, and we remarked about it on account of it being the first time they had ever carried guns at the ball game.

Affiant further states that from the time the shooting started in the morning there were only four men there on the grounds, the others having fled to the hills.

Further affiant saith not.

MRS. JAMES FYLER.

Subscribed and sworn to before me this 30th day of April, A. D. 1914.

[SEAL.]

LEON GRISWOLD, Notary Public.

My commission expires September 10, 1917.

AFFIDAVIT.

STATE OF COLORADO,

*Las Animas County, ss:*

Mrs. Ed Tonner, who is about to become a mother, of lawful age, being first sworn, upon oath deposes and says: That her name is Mrs. Ed Tonner. At about 10 in the morning I was in my front room tent sweeping and I heard the two bombs fired, and I started grabbing for my five children, and to throw them into a cave right under my front tent, and I stayed there until about 8 o'clock at night. All this time from 10 in the morning until 8 o'clock at night the machine guns were going. Mr. Snyder came along and he said "My oldest son, Frank, has half of his head blown off," and he said "If your children wont lay down, slay them and make them lay down rather than have them killed," he said, and he held out his two arms like that [indicating] and they were full of blood, and it seemed that after he left his tent that the machine guns turned loose all the more. My tent was so full of holes that it was like lace, pretty near. It could have been about 4 when little Frank got his head hurt, and a little while after this they tried to set the tents on fire. I kept bobbing my head up and down, and Mr. Fyler said, "For God's sake keep your head down, or you will get it blown off." About 6 o'clock they turned around and tore the tent between the two tents, and they set the broom on fire with coal oil, and they set the tent on fire, with me right underneath with my five little children, then Gusta Retlich she helped me out with the children, grabbed them up, and then we run to a Mexican lady's tent farther down, and then Louie the Greek helped me, he helped me down into a hole and threw water in my face as I was fainting with all the children, and then Louie the Greek heard some Mexican baby cry, and he said, "I must go and see what I can do for it," and then after that he says "You people had better hit it for that ranch over the Bayes," and we stayed there until the next night; they were shooting at the ranch house, although we had a white flag out, but they shot just the same. Mr. Bayes then took us to another ranch called Powell's ranch. They let Mr. Bayes then take us to another ranch called Powell's ranch. They let Mr. Bayes through all right and back all right, but when he got back to his ranch they fired on him and hit one of his mules in the thick part of the leg, and the next morning we went from Powell's ranch to Aguilar. I was not expecting anything like that and I had very little clothes on. A thin skirt and a mother-hubbard apron, and my oldest shoes. Everything that I had in this world was lost. I lost a \$35 watch, \$8 chain of my own; gold watch of my husbands, worth about \$25; and then I had a hair chain of my own hair, worth \$5; watch charm of my children's hair, worth \$5; \$16 pair of glasses; bracelets of my little girl's, worth \$5; opal ring, \$7; \$10 in money. Not a thing left in the world.

Further affiant saith not.

MRS. ED TONNER.

Subscribed and sworn to before me this 30th day of April, A. D. 1914.

[SEAL.]

LEON V. GRISWOLD, Notary Public.

My commission expires September 10, 1917.

## AFFIDAVIT.

STATE OF COLORADO,  
*Las Animas County, ss:*

Maria Chaves, being first duly sworn, on oath deposes and states: That her name is Maria Chaves. Early in the morning I seen a woman going to the soldiers' camp, and I think she was a traitor, and as soon as this woman got to the camp the guards came out, and as soon as they reached the camp they started to fire at the camp. When they started to fire at the camp they kept on firing all day, and when they started to fire at the camp we all went into the cellar, about 9 o'clock in the morning. And we stayed in the cellar all day until the soldiers took us out about 3 or 4 o'clock in the p. m. They would come inside of the tents and take the best things and then set fire to the tents. I don't know how they set the fire, but I know that they set the tents on fire. I lost all my personal effects in this fire. I had \$250 in the sewing machine that my husband's people had sent, and I lost all of that.

MARIA CHAVES.

Subscribed and sworn to before me this 1st day of May, A. D. 1914.

[SEAL.]

LEON V. GRISWOLD, *Notary Public.*

My commission expires September 10, 1917.

## AFFIDAVIT.

STATE OF COLORADO,  
*Las Animas County, ss:*

Mrs. Alcarita Pedregon, being first duly sworn, on oath deposes and says: That her name is Mrs. Alcarita Pedregon. I got up late in the morning, and I seen the guards and militia on horseback, and they got off the horses and fell down on the ground to get away from the fire, and then I went into the hole with the children. There were 11 children and 4 women in the hole, and we stayed in that cellar from 9 in the morning until 6 the next morning. I seen a militiamen come over there and look inside the tent and strike a match and set fire to the tent. I stayed in the tent until it was all burned up. There were 11 children and 2 women suffocated with the smoke where I was. I lost 2 children in this cave when the tent was burned. I don't know where my husband was at this time. I looked up out of the hole and saw the soldier set fire to the tent with a match. I lost everything I had in his fire.

MRS. ALCARITA (her x mark) PEDREGON.

Subscribed and sworn to before me this 1st day of May, A. D. 1914.

[SEAL.]

LEON V. GRISWOLD, *Notary Public.*

My commission expires September 10, 1917.

(Mr. Fyler, agent for C. & S. at Ludlow, can give wonderful story of militia-men who took possession of the C. & S. station.)

## LINDSEY EXHIBIT NO. 3.

JUNE 5, 1914.

MY DEAR COLBY: Of course I need scarcely tell you that I appreciated so much our visit. I have been giving some consideration to writing you the kind of letter that you suggested, namely, in stating concretely what my idea was as to what Mr. Rockefeller, Jr., might do in the present situation in Colorado. Of course I differ so vitally and fundamentally with Mr. Rockefeller upon some of these big questions that I suppose I have a right to assume that he would not think of doing some of the things that I would like to see him do. I think, of course, it is one of the greatest opportunities a young man ever had in the history of the world to actually be a Christian and to put into practice the advice of Jesus Christ to the rich young man. Of course to put that into practice would require Mr. Rockefeller to busy himself in studying the present industrial and economic conditions in this country and finding out how he can best dispossess himself and those about him of their possession and their power, which means, of course, to change the laws of property under which they were

able to create the conditions that are responsible for them. I say this in all kindness, and, of course, if Mr. Rockefeller could understand me, which, I quite understand, is practically impossible, he would not feel the slightest offense at my frank expression of views concerning not so much him, but the conditions that are responsible for him and those with him. In a measure, except as I am interested in the wonderful opportunity of Mr. Rockefeller, I am rather indifferent to what he does, because he can no more stop or seriously interfere with the evolution (as I hope it will be rather than revolution) now going on in the world—as men become more enlightened and intelligent—than he could interfere with the orderly processes of birth in nature. It may not come in his time, my time, or yours, but it is just as sure to come as there is a God in heaven. The laws of property and the conditions that are largely responsible for misery, crime, and the kind of slavery in this country that is chiefly responsible for Mr. Rockefeller's power and wealth, are going to be abolished or changed to more nearly approximate real justice. I am one of those who trust and hope and will work for its abolition peacefully and through the kind of laws that we already have, but I am also one of those who really fear very much that it will have to come forcibly. My fears in this respect are largely due, not to the extremists, the radicals, the Socialists, and the anarchists, but to the blindness of men like Mr. Rockefeller and those around him.

I hope neither you nor Mr. Rockefeller will misunderstand me. I am perfectly aware and credit Mr. Rockefeller with perfect sincerity in believing that he is a Christian, but of course—according to my philosophy and beliefs and understanding—I do not think that he is either a Christian or begins to approach Christianity. But I do believe that because I want to regard him as sincerely blind, that if he could only see the light he would really be what he now only thinks he is—a Christian. Sauls or St. Pauls are just as possible in this day and age as they have been in other days. Some of the most progressive men I know were just as blind 10 or 20 years ago as Mr. Rockefeller seems to be now. And right here let me say that I do not wish to judge him. I may, of course, be mistaken, but I am merely drawing my conclusions from what he is purported to have said and what I know he has done.

But I must not use my opportunity to write you by attempting a discussion of the problems that would perhaps only be futile for our immediate purposes. My real purpose in seeing Mr. Rockefeller was as follows:

First. Just as I have visited men in prison, who were there largely through conditions in their lives, and I visited them because I wanted to help them.

Second. Because I wanted to try and convince him that he could help himself by helping us in our present struggles in Colorado. My plan was this: To present some phases of this situation that I feel he knows nothing about and that he has never seriously considered, that would justify him in saying to me personally that I could say to President Wilson that while he did not admit that he controlled the situation or that he believed personally there was anything to arbitrate, or that their company was in any way to blame for conditions in southern Colorado, that nevertheless if the President saw fit to appoint a commission made up of men of known integrity, fairness, and justice, who might be acceptable to him, that he would use his personal influence with his associates to get them to consent to submit to arbitration by such a commission, and that he personally—under the conditions mentioned—would permit the public to know that he was using his personal influence to that end. The reasons, of course, would be that there were other people who did not agree with him that there was nothing to arbitrate, and that by consenting to such an arrangement it would restore peace—at least temporarily—to our distracted State. If Mr. Rockefeller, jr., would have asserted himself, even to the extent here mentioned, even though it did not result in an arbitration, it would have been of great help to him and others who would like to see a better understanding in this country between capital and labor. And, of course, I believe that if he would have sincerely taken that attitude (and, of course, I believe it would have been sincere) it would have resulted in the President appointing such a board and both sides consenting to abide by its findings. At least, the effort would have been more than worth while and would have put Mr. Rockefeller in a much better position before the public than he now occupies and given us a hope in this State that we do not seem now to have.

I feel rather grateful that because of my experiences in these struggles that I positively do not feel any of the bitterness that generally attend it, and the things that people say about me do not at all disturb me. If I can be of any

small service in helping to change the conditions that are chiefly responsible for the difficulties we are facing in this country, I shall count it a privilege, and in that sort of work it would have been a pleasure to me personally to have met Mr. Rockefeller, to have understood him better, and I hoped to have had him understand me better. I very much fear, however, that under the circumstances that would be impossible. But if it is not, as I wrote Mr. Rockefeller, at some future time under most any conditions he names I would be glad to see him and discuss these matters.

My trip East was altogether unexpected and taken with great reluctance, if not indeed rebellion, for I felt that there were others who could do whatever might be done a good deal better than I could do it. I had already arranged to leave here the latter part of June for my vacation in July and August, that I shall devote mostly to my Chautauqua work that I am in the habit of doing every summer. My wife has not been at all well, and I shall probably take her to Battle Creek, which will require me to leave a week or 10 days earlier than I anticipated, so that I shall probably leave Denver about the 18th of June. My work will be, in part, in Pennsylvania, New York, and New England. I shall pass through New York several times during the summer, but I think it would give me an opportunity to either see you or Mr. Rockefeller in connection with this matter, if you think it possible or worth while.

With kindest regards and good wishes, I am,  
Sincerely, yours,

HON. EVERETT COLBY,  
*Attorney at Law, Newark, N. J.*

#### LINDSEY EXHIBIT NO. 4.

BENJAMIN LINDSEY, Esq.,  
*Denver, Colo.*

DEAR SIR: When reading the interesting interview on Colorado which you gave in Chicago, en route to Washington, I was reminded of a meeting of a dozen or more doctors at a prominent sanatorium in Denver last winter at which time the deplorable state of affairs surrounding us was mentioned. The superintendent of the sanatorium, known for judgment and conservatism, made the statement that what was most needed in Denver was five funerals and the name "Judge" Lindsey headed this list of those whose demise would contribute most to the return of peace, power, and plenty in our State and particularly in Denver.

I have thought your ability to "grand stand" might be directed in a more helpful way if you had the good of your State uppermost in mind rather than going about encouraging the "yellow" journals to knock our State, your home State. We have most certainly suffered long and patiently while you and others indulge yourselves.

I appreciate your deranged mental state, but in your solitude try and right yourself or be charitable and move where your nature will be neutralized and allow a measure of peace to emerge from the state of anarchy you are in a part responsible for in Colorado.

Respectfully,

A. M. MOORE.

MAY 22, 1914.

#### LINDSEY EXHIBIT NO. 5.

In examining the reports of the State coal mine inspector, 1907-8, relating to Las Animas County alone, it was found that 38 married men were reported killed in coal-mine accidents. No record was kept of dependent children.

In 1909-10 a record of dependent children was kept as follows: In 1909, 18 heads of families were killed, leaving 38 children; in 1910, 90 heads of families were killed, leaving 249 children; in 1911, 25 heads of families were killed, leaving 77 children. In 1912, 20 heads of families were killed, leaving 74 children.

Mine accidents in four years deprived 438 children of their breadwinners.

The State coal-mine inspector's report, covering the State, shows that in 1909-10 374 children were left fatherless from coal-mine accidents alone. In 1911-12 248, making a total of 622 in the space of four years.

The report beginning January 1 and ending December 1, 1913, shows the following: Number injured per 1,000 employed, 27.5; number of tons produced for each life lost, 84,283; number of tons produced for each nonfatal accident, 26,183; number of widows left, 51; number of children left fatherless, 108.

DENVER, December 21, 1914.

Sometime in the early winter of 1914 I asked the State board of charities and corrections, through their secretary, to furnish me with a statement of the number of dependent or fatherless children made so through deaths of fathers in coal-mine accidents. Having misplaced the report furnished me at that time, I was again, on December 12, 1914, furnished by the State board of charities and corrections of the State of Colorado with the above statement on this typewritten sheet of paper at the statehouse in Denver. I secured the statement at this time to file with the Industrial Relations Commission, as being one of the items as to why the Juvenile Court of Denver is interested in the industrial problems pertaining to coal-mine difficulties. At the time this statement was first issued I personally gave it to all of the Denver papers. I used it in an address at the statehouse at a conference called under the auspices in part of the State board of charities and corrections. The Denver Express was the only paper that published any part of it.

---

LINDSEY EXHIBIT NO. 6.

MAY 29, 1911.

Mr. ELI M. GROSS,  
Statehouse, City.

MY DEAR MR. GROSS: On Saturday, May 27, I had a conference with the deputy labor commissioner and chief factory inspector of this State. I asked him for an opinion upon the following questions:

First. The conditions concerning child-labor evils in this State and the necessity for additional legislation for the protection of children against such evils.

Second. What part, if any, has been taken by an organization known as the State bureau of child and animal protection, with offices in the State Capitol Building, for the enforcement of existing laws and securing additional legislation that has been deemed needful for their protection.

He informed me that you were one of his deputies, in every way reliable, and, because of much personal work done by you and first-hand information from your own investigations and experience in the last legislature, in every way especially qualified to answer these questions, and he therefore asked me to direct this inquiry to you, assuring me that he would heartily approve any report you are good enough to make in this matter. If you can, therefore, furnish me such a report at your earliest convenience I would greatly appreciate it.

Sincerely,

BEN B. LINDSEY.

DENVER, COLO., May 31, 1911.

Judge BEN B. LINDSEY,  
Denver, Colo.

MY DEAR SIR: In answer to your communication of May 29 I beg to report as follows:

Up to May, 1909, Colorado had no factory inspection such as exists in many other States. Up to that time as to child labor the State bureau of child and animal protection pretended to assume the duties that ordinarily devolve upon factory inspectors. But since Colorado—now a State of nearly a million people—had been growing in industrial development it has been recognized for several years past that this kind of an arrangement was not satisfactory. While the State bureau of child and animal protection rendered absolutely no assistance in the legislature of 1909 in securing the passage of the law providing for factory inspectors, we know that the effort to obtain such legislation had your earnest support. Under this law I was appointed a factory inspector in May, 1909. When we came to consider the subject of child labor in this State the



officers of this department were confronted with a public statement diligently circulated by the State bureau of child and animal protection to the effect that there were no child labor evils in Colorado. The impression thus created had taken such a firm hold upon the minds of the people that it was difficult to have statements to the contrary credited, for they were immediately met with this authoritative announcement—always insisted upon even in the face of complaints to the contrary. It led the people of the State into a false security against such evils—at least this is my firm conviction after two years of active service as a factory inspector in this State. Believing at first that a bureau bearing such a name was what it pretended to be, I was naturally one of those deceived as to real conditions until I became disillusioned through my own personal investigation and the sights I witnessed with my own eyes.

Some time after I was appointed you may recall a conference I had with you, in which you told me that while you had also been disposed to accept these statements of the State bureau of child and animal protection, that you were becoming suspicious and wished me from time to time in my inspection trips to get such facts as I could. I found that while in Denver, largely due to a very effective compulsory school law that compelled the attendance of children up to the age of 16 years for the entire school term from September to June—with certain exemptions permitted between 14 and 16—and a juvenile delinquent law that made any child or children who failed to comply with this law, and the contributory delinquent law that made any person thus in violation of the school law employing children subject to a penalty of not to exceed one year in jail or \$1,000 fine, it was very seldom that I encountered improper child labor in Denver. In addition to this system of juvenile laws we had some child labor laws proper that while by no means sufficient were of some value until the decision of the supreme court (*Burcher v. People*, 41 Colo., 495). There the court passed upon the constitutionality of the law of this State regulating the employment of children and women, and held that under the constitution of this State only the general assembly might declare employments injurious or dangerous to health, life, or limb, in accordance with the constitutional amendment of 1901—a precaution which the legislature had absolutely failed to do in any previous child-labor law as such, or in any bill presented to the legislature except in a bill drafted by you and presented to the recent legislature. This decision caused it to be contended by some of the ablest lawyers in the State that Colorado had no child-labor law, and the only protection afforded the children was through the juvenile laws referred to that were drafted by you and enacted by the legislature in 1903. But in a city like Denver, with its juvenile court and school attendance officers to enforce this school and contributory delinquency law, and in many counties similarly situated, the children could be adequately protected except possibly during the summer vacation months against the evils of child labor. But I found from my first inspections of coal mines and coal-mine disasters in the southern part of the State that this system of laws, however worthy and effective in other parts of the State, was not sufficient for any sort of adequate protection for the children. This was due to two causes—first, the absence of a child-labor law proper upon which we could place any dependence in view of the decision of the supreme court mentioned, and second, because of the political conditions we encountered in dealing with some of the great fuel corporations whose activities extend into various sections of this and other States. I found that these corporations so completely controlled the politics of their local counties that school officers depended upon to enforce the system of laws that you had secured in 1903 were responsive rather to the interests of these corporations than to the demands of the home and the interests of the children. Of course most of my work in these coal districts concerned the investigations of disasters in mines in which numbers of lives were lost. The very first investigation of this kind undertaken by me you will find reported on pages 31 and 32 of the Biennial Report of the Bureau of Labor Statistics, Colorado, 1909-10. From that report I quote the following on page 32:

"Two of the victims were Mexican boys, 15 and 16 years old, respectively, who were employed as trap boys. The younger of the two was killed on his or more. If this boy were as illiterate as most of the Mexican workmen are, then he was employed in direct conflict with the State law, which forbids the employment of boys under 16 years of age who can not read and write.

"Wishing to ascertain the attitude of the company on the question of child labor, I dropped down to Segundo and found several boys working there under the legal age. A small lad told me that he had received 25 cents per day for

assisting in drawing coke from the ovens. He was 10 years old. For his name and the names of others under 14 years of age I refer you to Segundo schedules that are filed in your office. The company officials explained the presence of these children on the ovens by stating that drawing coke is contract work; that is, the workman receives 95 cents per oven for drawing; and if he can use his children to advantage, it is no business of theirs; that is, for the officials to interfere. Now, I wish to call your attention to this: That in the work of drawing coke from the ovens the opening is broken out, displaying a mass of molten coal, which is brought to lower temperature by playing a stream of water on it. This results in clouds of gas and smoke rushing out and enveloping those who must draw the coke. It is in that gas-charged atmosphere that these children must work.

"It was on February 11 that I was in Segundo, and at that time there were no age certificates on file in the office of the superintendent. On February 23 I was in Sopris, a camp just a few miles below Segundo, and found five age certificates on file, signed by parents, certifying that the boy named therein was over 14 years old, and each certificate was dated February 15, 1910. I only mention this to show that there is a master mind at the head and nothing is overlooked or left to chance when the interests of the company are at stake, fifteenth birthday and had been working in the mine for a matter of six months and I might mention that I have found that the officials of the company—that is, the men in charge of the work, from the division superintendent down to the lowly washer boss—are all men of high efficiency, excellent, likable men, and thorough gentlemen in the ordinary acceptance of the term, but they have all been trained in the same school, whose first lesson is 'loyalty to the company.' So imbued are they with this idea that to their minds anything that is profitable for the company is right and anything that threatens dividends is wrong."

During that investigation I spent six weeks in the southern Colorado coal camps, and in connection with my other work I had occasion at first hand to see and know exactly what I am talking about, and to all of which I am willing to give testimony in any way. I can say to you positively, then, that in practically every camp where coke ovens were operated children were employed. In each case this employment would have been in absolute violation of those laws existing in many of the States for their protection, but not under any child-labor law proper on our statute books. All of this proved the need of an up-to-date child-labor law.

As soon as my report upon the Primero disaster was made public I was astounded to note that E. K. Whitehead, who is now and has been for more than 10 years past the secretary and director of the work of the State bureau of child and animal protection, rushed into the public press with a denial of the facts, and by wide circulation of this denial it was again sought to create the impression, which he has for years past so persistently spread abroad, that there is no child-labor law in Colorado. I had been personally on the ground, often talked with these children while engaged in these dangerous occupations—one of them positively not over 10 years of age—while Whitehead made no pretense of any such experience. I may say here that during the fight for a child-labor law during the recent legislature, when the most bitter opposition to any genuine bill was that encountered from Whitehead, claiming to be backed by his State bureau, I went personally to his office to convince him that his denial of my report was false and unjust to the children of this State, for it was really playing these young lives into the hands of the great corporate interests for exploitation in the manner I had been able to prove. Whitehead's only excuse for his denial of my official report and positive statements was an alleged investigation which he claimed to have had made through some employee of his State bureau. I asked to be confronted by that man, and in Whitehead's office, in his presence and that of one Dr. Mary Bates and one W. R. Callicotte, the bureau's lobbyists, this officer, whose name I can not recall, admitted, upon being questioned, that he had visited these coke ovens at a time of day when no work was being done. Whitehead seemed dumfounded at the frank confession made by his alleged investigator.

At this conference I urged, in view of my own experience and personal knowledge, the absolute necessity for a new child-labor law. Whitehead then pretended that he was willing for the enactment of such a law notwithstanding his former statements to the contrary, and the rumors that were constantly heard that the bureau through Whitehead and his lobbyists would do all they

could to prevent the passage of a real child-labor law. As the session of the legislature progressed I found that these rumors were positively true, and that Whitehead, who directed the work of the bureau, had no desire for the passage of a real child-labor law designed to guarantee real protection against children especially subjected to these terrible conditions in the coal fields. My proof of this charge you, of course, know, but briefly summarized it is this: There were three child-labor bills introduced in the legislature just ended, one drafted by our department, another drafted by you, and another drafted, so far as we can gain any information on the subject, in Whitehead's office; that is, the bureau of child and animal protection. Our bill was defeated. That left for consideration the bill drafted by you and introduced by Mrs. Jones, known as H. B. 513, and the bill supported by the State bureau of child and animal protection, known as H. B. 364, by Mrs. Lafferty. About April 1, when the fate of these two bills was in the balance, there was distributed among the members of the legislature a copy of the monthly magazine known as "Child and Animal Protection," published by the State bureau of child and animal protection, containing an article on child labor, and, in view of the terrible conditions that I have related, contained this amazing sentence: "This bureau, which alone has enforced the child-labor laws in this State up to this time, is not anxious to have a child-labor law enacted. We are still able, as heretofore, to put an end to it at once whenever it is discovered." But at this time having lost our own bill we had joined hands with the forces working for the passage of the Jones bill. Whitehead, claiming to represent the State bureau, urged the passage of the Lafferty bill.

I need not go into details as to what a hopeless, inefficient, and unconstitutional measure that was. That was shown up in arguments before committees and in typewritten memorandums you circulated. In these exposures it was shown to be the most outrageous imposition ever sought to be imposed upon the people of any State as a child-labor law. Its passage would have been very pleasing no doubt to those who have been benefited by the work of the bureau. The bill would not only permit the shameful exploitation of little children in their coal mines and coke ovens, but would actually legalize it. The magazine, Child and Animal Protection, authorized and published by this State bureau, and through pamphlets and statements similarly issued by its secretary, Mr. Whitehead, have contained the vilest denunciations of men in this State who have fought the improper corporate influences we encountered in our effort to protect the children. They have sought in every way to discredit them in order to make their own well-known political activity effective and successful. I have no hesitation in saying that from my own experience as a factory inspector that the State bureau of child and animal protection, directly or indirectly, is one of the most effective weapons in the hands of special interests in this State in their efforts to destroy men or effective measures affording real protection and doing real justice to the children of this State. After the exposure of the child-labor bill backed by Whitehead and his bureau they did not dare to push it further, and there being left only the Jones bill referred to they then proceeded by every means within their power to try to kill that bill. After a most terrific fight against them in the closing days of the session, through the hardest kind of work by this department, the officers of the Juvenile Court of Denver, the labor organizations, various women's organizations, and others really interested in the protection of children, this dastardly effort of the State bureau of child and animal protection was prevented and the Jones bill was passed.

The bureau can not deny responsibility for the acts of its agent, for never once has it repudiated them, nor did any of its other members show any activity to assist those engaged in the real fight for the protection of children. In strange contrast to their public statement that we needed no child-labor law and their effort to pass one that legalized the work of little children over 18 year of age in mines, smelters, coke ovens, and every possible dangerous kind of employment is section 3 of the law passed in spite of their opposition, which absolutely and positively prohibits any child under 16 years of age under any conditions whatever and without any right to a permit from any source whatever to work "in any underground works or mine, in or about the surface workings thereof, or in any smelter, coke oven," and, indeed, in any other of the common and well-known dangerous employments which most of the model child-labor laws of the Nation forbid, and which this State bureau was anxious and did everything in their power to legalize and permit.

Very respectfully,

ELI M. GROSS.

## LINDSEY EXHIBIT NO. 7.

JUNE 1, 1911.

Hon. BEN B. LINDSEY,  
*Judge of the Juvenile Court, City.*

MY DEAR SIR: Your letter of May 29 addressed to the sheriff and chief of police in this city, Mr. Hamilton Armstrong, in which you ask for a report from our department concerning our experiences in the matter of the protection of children against the evils of child labor in this city and county, and any difficulties we have encountered in connection with such laws or obtaining the passage of such laws, has been referred to me by him for reply. I have, as you know, for the past seven years, been especially detailed by the police department to look after all cases concerning juveniles, and to secure as far as this department is able to secure the enforcement of laws for their protection.

As to child labor, we have long had, as you know, the set of laws drafted by you and passed early in 1903, consisting of the school law, requiring children to attend school for the entire school year—from September to June; the juvenile delinquent law, making children guilty of nonschool attendance up to 18 years of age delinquent children, except where they have permits between 14 and 16 for the causes mentioned in the law, and the very important contributory delinquent law which has enabled us to reach most of the child-labor evils in this city, although in recent years we have felt in Denver, as it has been felt in other parts of the State, the necessity for a good child-labor law proper, especially in view of a decision of the supreme court which is said to have invalidated practically all the child-labor laws of this State. Our work during the past two years therefore has been to enforce such laws as we have, and to get on the statute books of the State such laws as we ought to have. In enforcing our statutes on this subject I have come in contact with some rather flagrant abuses from time to time, and these, of course, have been promptly checked by our department, and where that could not be done or where it seemed necessary, as it has in some cases, complaints have been filed in the juvenile court.

The State bureau of child and animal protection has given very wide publicity to the charge that no department of State government has undertaken to enforce these laws except their department, and in every way they have sought to secure the exclusive privilege of enforcing these laws, not only in Denver but throughout the State. Their efforts in this respect have been so exceptional and unusual as to occasion some suspicion as to their purposes and motives, for it is well known in this State that some of the representatives of big business interests have been most active in the support of that society, who have been likewise active in opposing legislation and the enforcement thereof designed to help the children that might invade their privileges. I firmly believe this to be the case as to the subject of child labor as from my own experience—not only in enforcing the laws but in the active part I have taken in securing other laws which were much needed.

You may recall the cases of Mary McGrath, age 13, residence 1128 Thirteenth Street; Hazel Morin, age 13, residence 923 Fourteenth Street; Olin Frazer, age 13, residence 1129 Thirteenth Street; and Irene Burke, age 11 years, residence 565 Bannock Street. (The addresses given were those at the time the cases came under my observation.) These cases may serve as an example of some I have had to deal with. I found these children working in various cheap theaters of this city without a permit from the school authorities. I found these children going home from these theaters, where they had been working, as late as 11 o'clock at night unaccompanied by parent or guardian. Of course, I apprehended them and in the course of my duties visited their homes, talked to their mothers and also the various managers of the theaters, threatened to file informations against them in the juvenile court for contributing to juvenile delinquency. I recall distinctly that a few days after I consulted the parents regarding this matter they came to me with a statement that they understood that the humane society had charge of such cases. They had gone to Mr. Whitehead, the secretary of that society, and Mr. Whitehead had said to them that there was no law whereby I had any authority to proceed against them or the managers of the theaters for employing these children under such conditions. You no doubt recall that I brought these children and their parents before you with the result that they were immediately taken out of the theater and—notwithstanding the uncertainties under our child-labor law—as a result of the threatened prosecution and the promise of the theater managers not to again employ the children and the parents not to permit it, we were able to end the abuses referred to.

By an arrangement you made with the police department of Denver some seven years ago, I was especially detailed to patrol the business district of the city in the interest and especially enforcing the laws for the protection of the children, and because of this fact largely there have been comparatively few evils of child labor, but in this entire experience I do not recall having come in contact with a single officer of the State bureau of child and animal protection, or hearing of any work undertaken by them for the protection of children against such evils in this city. The statements that they constantly spread abroad that they are solely responsible for the enforcement of laws for the protection of children against such evils are of course absolutely false.

Now, as to obtaining needed legislation. Having been detailed on your court from the police department on this special work for the past seven years, I have naturally joined hands with you and the court in the rather terrific fights that have been carried on here for the passage of laws that have been drafted and presented to the legislature by the juvenile court. During the session of the legislature just closed, I think I can fairly say that no individual was more active than I was in helping secure the passage of H. B. 513, known as the Jones bill, drafted by you to cover the deficiencies and difficulties in our present child-labor situation. It may seem almost incredible, but it is a fact, and I think those connected with the lower department and other organizations similarly interested in securing such legislation will assure you that our most active and even bitter opposition came from the State bureau of child and animal protection in our efforts to get the Jones bill passed. In the first place their agents and lobbyists privately circulated the statement that we did not need any child-labor law. While so far as we could get them committed in writing or in any public way, they took the amazing position (for a bureau claiming to protect children) that if any child-labor law should be enacted, it should be a bill known as the Lafferty bill, house bill 364. This Lafferty bill, as pointed out by some of the best experts in the State on this subject, was so cunningly drawn as to leave nothing to be desired by the great coal mine and other interests in the State, the cheap theaters, and influences of that kind that have contributed most to child-labor evils. It was shown that the Lafferty bill actually legalized the labor of children over 13 years of age in practically all of the dangerous employments, such as mines, smelters, mills, coke ovens, and that work known as that of breaker boys about the surface workings of coal mines. In arguments made by you before the joint committees of house and senate, and in written memorandums and statements, and from the opinions of able lawyers, it became perfectly clear that nothing would do more to jeopardize the welfare of the children of this State in regard to child labor than the passage of the Lafferty bill, which was proposed by the State bureau of child and animal protection. You may recall how diligently I worked with my friends among the so-called machine politicians to get them to spare the children of this State from any such calamity. You know how men in authority, at private conferences between them, you, and myself, stated that the bill you prepared to avoid these difficulties, would never be passed, and that the program was to kill it, and if any bill was passed it was to be this Lafferty bill. These men you talked to in my presence were men who represent the powers in politics in this city. But through the hardest kind of work—indeed, one of the most terrific struggles in which I have ever engaged—we were able to defeat the intentions of the powers to carry out a program proposed by this State bureau which was against the welfare, protection, and best interests of the children in Colorado. As you know while you were in the city during the legislative struggle I was constantly in conference with you, and while you were away we were in constant telegraphic communication, and I think some of the finest legislative work ever done—and all of it perfectly legitimate and in every way commendable, requiring skill and knowledge of politics and politicians—was done largely through your direction in order to defeat the “interests” in this matter.

I was almost constantly in the legislature during its closing hours when the result of this fight was in the balance, and notwithstanding we had succeeded in killing the vicious Lafferty bill, the agents of this State bureau of child and animal protection were using every influence in their power to the very last to defeat the Jones child-labor bill drafted by you to cover the weaknesses and defects in our child-labor situation. The Lafferty bill not only legalized the dangers of child labor referred to, but it made no effort whatever to protect children in those dangers to be encountered in the cheap theaters and other places which at the time no law of this State was believed to cover. W. B.

Callicotte, in the pay of the bureau, and an agent of Whitehead, was their chief representative in the very critical periods referred to. I am perfectly satisfied from his attitude, actions, and conduct that he was bringing to bear every influence in his power and hoping against hope to the end that a real child-labor law such as the Jones bill would not pass the legislature. I have his written statements that he was opposed to the bill, and his conduct in trying to bring about its defeat is so notorious that I doubt if it will meet with a denial from any source.

I have been a police official in this city and county for 11 years, and I am thoroughly familiar with politics and political conditions in this State, and I can say without hesitation that the Senate bureau of child and animal protection has not only not been the chief factor as claimed by them in enforcing child-labor laws, but, on the contrary, have had very little, if anything, to do with such enforcement during that experience, and it constituted the chief obstacle in securing laws which could be enforced.

Very respectfully,

JOHN S. PHILLIPS.

#### LINDSEY EXHIBIT NO. 8.

[News, Dec. 3, 1914.]

#### RECOMMENDATIONS OF THE BUSINESS MEN'S COMMITTEE FOR THE 1915 BUDGET, SUBMITTED TO THE CITY COUNCIL.

##### RE JUVENILE COURT.

In view of the conflicting statements in regard to the value of the work of this court made to this committee, we desire to say that our recommendations are made simply with a view to effecting economies and business efficiency.

The appropriation under this head for the current year was \$17,000; \$25,000 is asked for the year 1915. No reasons are given in the statement of the court justifying any increase for next year.

We find that the judge of this court, during the past years, has been absent from the city a considerable portion of the time. We believe this to be a public scandal, showing that either there is not sufficient work to justify the existence of the court or that the judge is not giving his whole time and attention to it.

We recommend a reduction of at least two in the number of probation officers; that the work of the clerk and deputy clerks be done by one employee; and, as there is not sufficient work to keep the stenographer regularly employed upon the court work, that his compensation be fixed on a per diem basis for services actually rendered.

For reasons of economy, we believe that all the work of this court, with the exception of juvenile delinquency, should be done by the county and district courts.

The committee is informed that the employees of this court do not give their entire time and attention to its work, but the committee has not had the time to verify this. If this is true, then, our general recommendations in regard to the revision of salaries, and requiring city employees to give all their time to city work, would apply here also.

##### BUREAU OF DOMESTIC RELATIONS.

We recommend no appropriation for the bureau of domestic relations.

##### DETENTION HOME.

The average number of inmates of this institution is between seven and eight, in view of which, we do not believe the cost of the institution, to wit, \$5,000 a year, is justified, and we recommend that it be abolished and the inmates cared for elsewhere.

DENVER, COLO., December 9, 1914.

To the honorable commissioners of the city and county of Denver.

GENTLEMEN: Certain statements have appeared as having been made to you to the effect that the so-called budget committee of the Denver Chamber of

Commerce and the Colorado Taxpayers Protective League does not represent any considerable body of taxpayers. To refute these statements and to prove to you that this committee does represent a very large proportion of the taxpayers of the city of Denver, we inclose herewith a list of the membership constituting the Colorado Taxpayers Protective League and the Denver Chamber of Commerce.

We would say that the committee's report was accepted and indorsed by large committees representing both of these organizations. It is, of course, impossible that every recommendation contained in the budget committee's report would meet the approbation of every member out of these 1,600 or 1,700 men and the various interests which they represent. But we can say, truthfully, that the report of the budget committee does represent the large majority of both of these organizations.

Respectfully,

DENVER CHAMBER OF COMMERCE,  
By THOS. B. STEARNS, *President*.  
COLORADO TAXPAYERS' PROTECTIVE LEAGUE,  
By E. N. MORGAN, *Chairman Executive Committee*.

---

LIST OF MEMBERS OF THE COLORADO TAXPAYERS' PROTECTIVE LEAGUE,  
DECEMBER 9, 1914.

Austin, Archie S.	Gulldman, L. H.
Barker, W. J.	Hover, W. A.
Bealer, John A.	Hill, Crawford.
Bennett, Horace W.	Hodges, W. V.
Berger, G. B.	Hughes, Gerald.
Bishop, Edward A.	Hunter, A. V.
Boettcher, C.	Humphreys, H. W.
Boettcher, C. K.	Iliff, W. S.
Blayney, W. N. W.	Jones, Gordon.
Brown, H. K.	Johnson, Fred P.
Brown, F. S.	Kassler, E. S.
Brown, D. W.	Kountze, Harold.
Burger, J. C.	Kistler, W. H.
Bullock, Calvin.	Kendrick, C. A.
Briggs, Frank N.	Kaub, George H.
Bingham, H. W.	Lewis, A. D.
Cass, Oscar D.	Liebhardt, G. G.
Cassell, R. T.	Morey, Chester S.
Campion, John F.	McIntyre, H. A.
Coors, A.	McCourt, Peter.
Curtis, Rodney.	McLean, Geo.
Cuthbert, L. M.	McPhee, W. P.
Carlton, A. E.	Mack, Louis.
Daly, Thos. F.	Mitchell, J. C.
Daniels, Wm. Cook.	Mullen, J. K.
Dines, Tyson S.	Morey, John W.
Dodge, D. C.	Morgan, E. B.
Dorsey, C. C.	Myers, Julius A.
Dutton, Sam F.	Marshall, W. M.
Evans, John.	Mason, John T.
Evans, Evan E.	Newton, Whitney.
Ewing, John A.	Nicholson, Samuel D.
Fleming, Jesse E.	Northcutt, Jesse G.
Field, E. B.	Osgood, J. C.
Ferguson, J. A.	Owen, W. R.
Field, E. B., Jr.	Porter, H. M.
Foster, A. C.	Peters, E. A.
Fisher, W. Sherman.	Phipps, L. C.
Gano, Merritt W.	Perry, S. M.
Good, John E.	Parker, A. D.
Goldsborough, L. C.	Ravenscroft, W. T.
Graham, C. A.	Reynolds, A. E.
Graham, J. W.	Riche, Jerome S.

LIST OF MEMBERS OF THE COLORADO TAX PAYERS' PROTECTIVE LEAGUE,  
DECEMBER 9, 1914—Continued.

Scholtz, E. L.  
Symes, J. Foster.  
Smith, Thos. G.  
Stearns, Thos. B.  
Savageau, R. A.  
Schirmer, Godfrey.  
Sheedy, Dennis.  
Stoll, H. M.  
Sweet, William E.  
Solis, Ramon.  
Swan, Henry.  
Tobin, Richard F.

Thatcher, J. A.  
Thatcher, M. D.  
Valle, J. F.  
Welborn, J. F.  
Wood, S. N.  
Woodward, Frank L.  
Wolcott, Henry R.  
Watson, W. W.  
Wright, James N.  
Wood, Gullford S.  
Zang, Adolph J.

## LINDSEY EXHIBIT NO. 9.

BOULDER, COLO., June 7, 1914.

Judge B. B. LINDSEY,  
Denver, Colo.

DEAR JUDGE: Inclosed find editorial cut from the Boulder Herald of yesterday,<sup>1</sup> which shows how low some editors have sunk since the strike begun. What really happened in the Herald office was that Prof. Mark, who is a man of pure character, protested to one of the office men against the abuse being heaped upon you by the paper. The editor, Mr. Wanglin, turned on him and said that you ought to be killed; and that if he, Wanglin, had his way you would be killed or driven out of the State. Prof. Mark remarked that if that was the attitude of his paper he preferred that it be not sent to him any more.

Sincerely, yours,

R. O. STEARNS.

JUNE 10, 1914.

Mr. R. O. STEARNS,  
Hotel Boulderado, Boulder, Colo.

MY DEAR MR. STEARNS: I thank you so much for your good letter. I have written an answer to Prof. Mark branding the editor of the Boulder Herald as an infamous liar and pointing out wherein he has lied. He is one of those cowardly creatures who set up straw men to knock down, a task by no means either difficult or courageous; that is to say, he accepts certain statements as true without any investigation and proceeds to denounce people for saying something they never said, doing something they never did. It is very evident that he is either ignorant or one of the willingly "kept" creatures of privilege who, with them, like Louis, the King of France, assume that they are the state—"The State, it is I." And when one shows up their crookedness and lawlessness they have the gall and impudence to say that you are maligning the State instead of those who are trying to rob and corrupt the State.

With kindest regards, I am,  
Sincerely, yours,

BEN B. LINDSEY.

## LINDSEY EXHIBIT NO. 10.

MAY 16, 1914.

MY DEAR MR. FOSDICK: I have been asked by a number of citizens to be one of a committee to go to Washington City to see President Wilson in connection with the unfortunate strike troubles in this State. I have taken no part in the controversies going on, but if I could be of any possible service in bringing peace out of what is certainly the most dangerous and chaotic situation we ever faced in this State I would, of course, count it a public service. If I should come, my idea would be that the only possible way to avoid further bloodshed, expense, distraction, and difficulty in this State would be for the President to appoint an arbitration committee fairly representative of both

<sup>1</sup> Not printed.



sides, or at least so fair that neither side could afford to refuse to submit the situation to them.

I am one of those who have grave doubts as to whether Mr. Rockefeller, jr., really appreciates the situation. While I can understand how he may be misled and how his education and training may make him very sincere in what others as sincerely regard as a mistaken attitude, it does seem to me that if some one in whom he would place some trust and confidence could present a somewhat different aspect of the present situation than that which seems to possess him—from some of the public statements that have come from him and his advisers—I think it would do much to bring about a settlement of the present difficulties. The matter has ceased to be a mere question of the strike, and its success or failure is of small consequence compared to some bigger issues that have arisen and for which Mr. Rockefeller should have some consideration. Whether rightly or not the feeling of the people in this State is quite general that Mr. Rockefeller has it in his power to bring about peace for us or to continue the present chaos.

I am one of those who have appreciated his work against the white-slave traffic and his interest in some of our social problems. Now, I was wondering if I accept the request that has been made by a great many to go to see the President if I could come over to New York and have a personal conference with Mr. Rockefeller, jr. I think I can say that it would be of such a character as in no way to embarrass him, and I would be glad, of course, to have you or anyone else whom he would wish present, although it would be a pleasure to have an intimate sort of talk with him regarding some of our problems, especially as bearing on the situation out here.

With kindest regards, I am,

Sincerely, yours,

Mr. RAYMOND FOSDICK,  
*Whitehall Building, New York, N. Y.*

MAY 23, 1914.

Mr. JOHN D. ROCKEFELLER, Jr.,  
*26 Broadway, New York City.*

MY DEAR SIR: Your letter of May 23 received. You say that my telegram of May 20 was received at your office on May 21 and was directed to Mr. Rockefeller, sr., and answered by his secretary. At this I am very much astounded, since my wire was intended for you and not your father. My letter, to which your letter is a reply, was on the supposition that in the telegram, saying that Mr. Rockefeller refused the interview requested, you were the Mr. Rockefeller meant, since it does not state "Mr. Rockefeller, sr." I concluded from the exchange of telegrams, therefore, that it was you who refused me an interview under any circumstances, unless possibly the date was inconvenient; and while the issue was so important, I rather clung to this, as a remote possibility. I concluded to write you at length frankly as to my feelings and views in the matter, that you might know them in case my request to see you was to be denied.

It is apparent now, however, that I may have misunderstood you, and I am sure you misunderstand me, or you would not say that my letter is of such a character as to make any conference with you impossible. If, however, I am now to understand that it was Mr. John D. Rockefeller, sr., who refused the interview requested, I have a right to assume that, if I could have had any interview with either of you, the telegram from your office would have so stated. It is generally known that you represent your father in these matters, and the error in transmission is so apparent it might have been inferred, and if not I would have expected him to refer me to you. If I am in error as to this, however, now that the matter is cleared up, I feel sure you will be glad to reconsider your refusal to grant my request. The issue is too big and the matters I wish to discuss with you are too important to permit this mishap in the transmission of a telegram to interfere with our getting together.

I haven't the slightest bitterness or feeling in this matter, at least with regard to you—or indeed, for that matter, with regard to any person. We have a serious situation in our State, growing out of interesting conditions under our modern, social, industrial, and economic system, and I do feel that much good would be accomplished (and certainly no harm could come to anyone) if we could have a calm, dispassionate, and kindly discussion together over the entire situation.

I have greatly admired your interest in some of the problems concerning our youth, that concern me greatly and are in line with much of the work of a mere palliative character that we have undertaken to do and in which your assistance has been so helpful. I am sure we should have some things in common, notwithstanding the vital differences (that I thought I should be frank enough to state to you) between us on great industrial and economic problems. It is this fact, I believe, that leads you to misunderstand my purpose in some parts of my letter. I am sure that a conference, when we might know and understand each other better, would add to that sort of Christian charity and consideration (for people who are more or less the result of conditions under which they live) that you and I ought to promote.

That part of my letter relating to the desire of some of the women survivors of the Ludlow horror to see you and tell you their story, you did not answer at all. Perhaps your failure to refer to it was an oversight, for your refusal to see me surely would not include a refusal to see them. I do not believe that you are one of those, either representing yourself or others, who are willing to accept dividends or profits from your great business enterprises and seek to shirk any sort of personal responsibility for others because of those enterprises. You would be greatly enlightened by hearing the stories of these good women. Two of them were born and reared in Colorado. One of them has been a good church member since she was 12 years of age. She came from Wales about a year ago with fifteen hundred dollars in money, considerable personal property, a good name, and a good reputation. The father of one of these women was killed in the coal mines. Another lost her children and another all of her personal property, after being subjected to cruel indignities in a dirty jail, because of controversies concerning your property or the property of those whom you have undertaken to represent. They are intelligent, competent, and capable of giving you a most comprehensive and sane view of the situation. I think you ought to hear their story, and I am sure that after you heard it you would be glad of your action and it would entitle you to much sympathy and support in the rather trying situation under which you are laboring, and in which I assure you for you personally I have the utmost sympathy and consideration, just as I have sympathy and consideration for those who are victims with you of the rather distressing conditions that we are seeking to remedy. They can only be remedied through a better appreciation and understanding of the good in each other and the necessity that we should all get together to fight evil more and men, women, and children less.

These good women have come all the way from Colorado to see the President of the United States, and they would like to see you, under any condition you may name. I assure you they would be cheerfully, honorably, and honestly complied with. Won't you please grant the same courtesy shown them by the President of the United States? I myself would prefer that they see you, as I would prefer that you see me, in the most kindly, courteous, and neighborly manner, under circumstances free from publicity and without any spectacular accompaniments, for whatever purpose they may be desired.

I suppose that I may reasonably hope to receive a reply to this request by some time next Monday, the 25th instant, either by letter or phone message, at the Imperial Hotel. I expect to start for Denver some time Tuesday afternoon, unless I should be granted the interview requested either with myself or the women of Ludlow, in which case I shall accommodate myself to your convenience.

Let me say in conclusion, my dear Mr. Rockefeller, that I do hope you will reconsider your determination not to see me or the women from Ludlow; and permit me to say further that in the event of an interview I shall be very glad to regard the communications between us as strictly personal and confidential.

I want you to know that I have nothing but the kindest feelings and consideration for you. I would not willingly or intentionally do anything to wound you personally or add to what I think I am in a position to know must have been the discomforts and suffering to which you have already been subjected. But there is a big issue involved and I feel it my duty to do all I can to help bring about a settlement of that issue in the interests of justice and humanity, and if it wounds or hurts others, I shall always share, as I have always shared, in the wounds and the hurts.

Very respectfully,

BEN B. LINDSEY.

26 BROADWAY,  
New York, May 23, 1914.

HON. BEN B. LINDSEY,  
*Hotel Imperial, New York City.*

DEAR SIR: Your letter of May 22 to Mr. John D. Rockefeller, jr., is received. The telegram received at this office from you on May 21 was directed to Mr. Rockefeller, sr., and answered by his secretary. Mr. John D. Rockefeller, jr., has received no telegram from you.

Mr. Rockefeller, jr., desires me to say that your letter of May 22 is of such a character as to make any conference with you impossible.

Very truly,

CHARLES O. HEYDT.

WASHINGTON, D. C., May 20, 1914.

MR. JOHN D. ROCKEFELLER, JR.,  
*26 Broadway, New York City, N. Y.:*

I am having a conference with the President to-day over Colorado strike situation. Could I see you for a personal interview and chat over situation Sunday or Monday at time and place to suit your convenience? I earnestly hope you can grant this request. Answer Shoreham Hotel soon as possible.

BEN B. LINDSEY.

MAY 21, 1914.

Judge BEN B. LINDSEY,  
*Shoreham Hotel, Washington, D. C.:*

Mr. John D. Rockefeller desires me to say, in reply to your telegram to him of May 20, that he regrets it will be impossible for him to arrange the interview which you request.

H. D. SIMS, *Private Secretary.*

#### SOMMERS EXHIBIT.

#### THE COLORADO FUEL & IRON CO. IN ACCOUNT WITH FRED SUMMERS.

#### PAY-ROLL STATEMENT.

*Pay roll No. 13, Morley mine, Aug. 31, 1913.*

Earnings:		
2,754 cwt.....		\$75. 74
E. Br., 44 feet, at \$1 per yard.....		44. 00
Ent., 37 feet, at \$1.50 per yard.....		28. 50
Total credit.....		148. 24
Deductions:		
Drafts.....	\$3. 00	
Hospital fund.....	5. 00	
Smithing.....	. 50	
Board.....	27. 00	
Bath.....	. 50	
First half month paid.....	16. 00	
		53. 00
Balance due.....		95. 24

*Pay roll No. 13, Morley mine, Sept. 30, 1913.*

Earnings:		
3,109 cwt.....		\$85. 50
E. B., 50 feet, at \$1 per yard.....		50. 00
Ent., 52 feet, at \$1.50 per yard.....		28. 00
Total credit.....		161. 50

**Deductions:**

Powder	\$5.50	
Hospital fund	1.00	
Smithing	.50	
Board	27.00	
Bath	.50	
First half month paid	32.00	
		<u>\$66.50</u>
Balance due		95.00

*Pay roll No. 13, Morley mine, Nov. 30, 1913.***Earnings:**

3,628 cwt	\$99.77	
Ex. C., 65, at \$1.50		} 76.00
33 cubic feet, at \$1 per yard		
8 cubic feet, at \$1 per yard		
R. T. $\frac{1}{2}$ , at \$5		
Total credit		<u>175.77</u>

**Deductions:**

Powder	\$9.00	
Hospital fund	1.00	
Smithing	.50	
Board	27.00	
Bath	.50	
First half month paid	35.00	
		<u>73.00</u>
Balance due		102.77

*Pay roll No. 13, Morley mine, Dec. 31, 1913.***Earnings:**

2,810 cwt	\$77.27	
39 feet, at \$1.50 per yard		} 54.50
32 $\frac{1}{2}$ feet, at \$1 per yard		
$\frac{1}{2}$ at \$5		
Total credit		<u>131.77</u>

**Deductions:**

Powder	\$5.00	
Hospital fund	1.00	
Smithing	.50	
Bath	.50	
First half month paid	26.00	
Board	27.00	
		<u>60.00</u>
Balance due		71.77

*Pay roll No. 23, Morley mine, June 30, 1914.***Earnings:**

4,865 cwt	\$133.79	
R. T., 1 foot, at \$5 per yard	5.00	
R. Br., 6 $\frac{1}{2}$ cu. feet, at \$1 per yard	6.50	
Total credit		<u>145.29</u>

**Deductions:**

First half pay	\$59.00	
Hospital	1.00	
Smithing	.50	
Powder	2.50	
Fuse	1.00	
Board	27.00	
Bath	.50	
		<u>91.50</u>
Balance due		53.79

# 7402 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

## Pay roll No. 23, Morley mine, July 31, 1914.

Earnings:	
4,971 cwt.....	\$138. 70
R. Br., 2½ cu. feet, at \$1 per yard.....	2. 50
Rt. C., 68 feet, at \$1 per yard.....	22. 67
Total credit.....	161. 87
Deductions:	
First half pay.....	\$54. 00
Hospital.....	1. 00
Smithing.....	. 50
Powder.....	1. 00
Board.....	28. 00
Bath.....	. 50
	85. 00
Balance due.....	76. 87

## Pay roll No. 23, Morley mine, Aug. 31, 1914.

Earnings:	
3,672 cwt.....	\$100. 98
R. Br., 3 cu. feet, at \$1.....	3. 00
Total credit.....	103. 98
Deductions:	
First half pay.....	\$45. 00
Hospital.....	1. 00
Smithing.....	. 50
Powder.....	1. 00
Board.....	26. 94
Bath.....	. 50
	74. 94
Balance due.....	29. 04

## Pay roll No. 13.

Earnings:	
1,524 cwt.....	\$41. 94
Ent., 23 feet, at \$1.50 per yard.....	11. 50
Rt. R., 2 feet, at 50 cents per yard.....	1. 00
E. B., 18, at \$1.....	18. 00
44 hours.....	16. 46
25 tons, ovens drawn, at \$0.10.....	2. 50
Total credit.....	91. 40
Deductions:	
Powder and fuse.....	\$3. 50
Hospital fund.....	1. 00
Board.....	27. 50
Bath.....	1. 00
	33. 50
Balance due.....	57. 90

## NORTHCUTT EXHIBIT.

THE ROCKY MOUNTAIN FUEL CO.,  
*Denver, Colo., December 19, 1914.*

Judge JESSE G. NORTHCUTT,  
*Chronicle-News Building, Trinidad, Colo.*

DEAR SIR: In pursuance with your request when in my office, beg to state that the capital stock of the Rocky Mountain Fuel Co. is \$10,000,000; \$4,000,000 in preferred, \$6,000,000 common. The bond issue authorized \$10,000,000; issued approximately, \$5,000,000.

The names of the mines owned by the Rocky Mountain Fuel Co. are as follows:

Name of mine.	County.	Post-office address.
Acme (not operating).....	Boulder.....	Louisville.
Simpson.....	do.....	Lafayette.
Standard.....	do.....	Do.
Vulcan.....	do.....	Do.
Mitchell.....	do.....	Do.
Rex No. 1.....	do.....	Louisville.
Rex No. 2.....	do.....	Do.
Hecla.....	do.....	Do.
Gorham.....	do.....	Gorham.
Industrial.....	do.....	Superior.
Warwick.....	do.....	Frederick.
Garfield-Vulcan.....	Garfield.....	Newcastle.
Alpine.....	Gunnison.....	Baldwin.
Kubler (not operating).....	do.....	Do.
Pinon (not operating).....	Huerfano.....	Camp Shumway, via Walsenburg.
Piedmont.....	Las Animas.....	Sopris.
Forbes.....	do.....	Forbes.
Majestic.....	do.....	Majestic.
Magnet (not operating).....	Fremont.....	Williamsburg.

I believe that is all the information you asked for, but if there is any further kindly advise me and I shall be pleased to give the matter prompt attention.

Very truly, yours,

C. W. BABCOCK, *Vice President.*

#### LENTHALL EXHIBIT.

THE COLORADO FUEL AND IRON COMPANY IN ACCOUNT WITH W. F. LENTHALL.

#### PAY-ROLL STATEMENT.

*Pay roll No. 1019, Walsen mine, Nov., 1913.*

Earnings:	
1,260 cwt., at 40 cents per ton.....	\$25. 20
Rt. C., 18 feet, at 75 cents per yard.....	3. 25
Total credit.....	28. 45
Deductions:	
Tools.....	\$4. 80
Powder.....	3. 25
Hospital fund.....	1. 00
R. R. fare to and from Pueblo.....	4. 50
Smithing.....	. 50
Board.....	12. 80
W. L. Anderson.....	5. 85
O. S. Co., Pueblo.....	3. 00
	35. 70
Balance due company.....	7. 25

*Pay roll No. 199, Cameron mine, Nov. 30, 1913.*

Earnings:	
24 hours.....	\$9. 30
Deductions:	
Powder.....	\$1. 00
Board.....	12. 20
Fuse.....	. 25
	13. 45
Balance due company.....	4. 15

# 7404 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS

## *Pay roll No. 149, Cameron mine, Dec. 31, 1913.*

<b>Earnings:</b>	
2,340 cwt.....	\$46.96
14 feet, at \$1.50 per yard.....	7.00
52 hours.....	20.15
<b>Total credit, 24 days.....</b>	<b>74.11</b>
<b>Deductions:</b>	
Ticket, Pueblo to Cameron.....	\$2.40
Coal.....	4.20
Powder.....	4.00
Hospital fund.....	1.00
Rent.....	5.30
Smithing.....	.30
Board.....	18.00
Fuse.....	.75
Tools, H. H. goods.....	103.90
	<b>139.85</b>
<b>Balance due company.....</b>	<b>75.74</b>

## *Pay roll No. 149, Cameron mine, Jan. 31, 1914.*

<b>Earnings:</b>	
2,549 cwt.....	\$50.98
13 feet.....	6.50
<b>Total credit.....</b>	<b>57.48</b>
<b>Deductions:</b>	
Powder.....	\$3.75
Rent.....	9.60
Smithing.....	.30
Board outfit.....	28.80
Check.....	6.50
Store.....	37.33
	<b>86.28</b>
<b>Balance due company.....</b>	<b>28.80</b>

## *Pay roll No. 235, Cameron mine, Jan. 31, 1914.*

<b>Earnings:</b>	
88 hours.....	\$34.10
<b>Deductions:</b>	
Store.....	34.10
<b>Balance due.....</b>	<b>0.00</b>

## *Pay roll No. 98, Cameron mine, Feb. 28, 1914.*

<b>Earnings:</b>	
128 hours.....	\$49.60
<b>Deductions:</b>	
Store.....	\$33.10
Supplies.....	13.50
Overdrawn.....	3.00
	<b>49.60</b>
<b>Balance due.....</b>	<b>0.00</b>

## *Pay roll No. 149, Cameron mine, Feb. 28, 1914.*

<b>Earnings:</b>	
1,871 cwt.....	\$27.42
18 feet, at \$1.50 per yard.....	9.00
<b>Total credit.....</b>	<b>36.42</b>

**Deductions:**

Coal	\$2. 10
Powder	2. 00
Hospital fund	1. 00
Rent	9. 60
Smithing	. 30
Overdrawn collect	10. 17
Store, Pueblo	. 79
Extra	. 25
R. R. fare, freight	9. 75
	<u>\$35. 96</u>
Balance due	. 46

*Pay roll No. 1199, Walsen mine, Mar. 31, 1914.***Earnings:**

741 cwt	\$22. 28
---------	----------

**Deductions:**

Coal	\$2. 10
Hospital fund	1. 00
Rent	2. 88
Smithing	. 50
O. D. collected	7. 25
Store	5. 25
	<u>18. 98</u>
Balance due	3. 25

*Pay roll No. 1199, Walsen mine, May 30, 1914.***Earnings:**

3,021 cwt	\$90. 68
-----------	----------

**Deductions:**

First half pay	\$5. 00
Drafts	9. 00
Hospital	1. 00
Smithing	. 50
Powder	4. 00
Fuse	. 50
Coal	2. 10
Rent	9. 60
Store accts	15. 55
Ca store	20. 00
Cameron acct	10. 00
	<u>77. 25</u>
Balance due	13. 38

*Pay roll No. 526, Robinson mine, June 30, 1914.***Earnings:**

2,650 cwt	\$39. 75
-----------	----------

**Deductions:**

First half pay	\$5. 00
Drafts	5. 00
Smithing	. 30
Rent	2. 91
Store accts	1. 90
O. D.	14. 74
	<u>29. 85</u>
Balance due	9. 90



# 7406 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

*Pay roll No. 1199, Walsen mine, June 30, 1914.*

<b>Earnings:</b>		
423 cwt.....		\$12. 69
<b>Deductions:</b>		
Drafts.....	\$5. 00	
Hospital.....	1. 00	
Rent.....	6. 69	
		<u>12. 69</u>
Balance due.....		

*Pay roll No. 526, Robinson mine, July 10, 1914.*

<b>Earnings:</b>		
540 cwt.....		\$8. 10
17 cars rock, at 30 cents per yard.....		5. 10
		<u>13. 20</u>
Total credit.....		13. 20
<b>Deductions:</b>		
Drafts.....	\$5. 00	
Hospital.....	1. 00	
Powder.....	1. 00	
Fuse.....	. 50	
Rent.....	2. 88	
Farr store accts.....	2. 82	
		<u>13. 20</u>
Balance due.....		

## WALSEN MINE, NOVEMBER, 1913.

[Coal output, 40 cents per ton.]

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16 <sup>1</sup>	17	18	19	20	21	22	23 <sup>2</sup>	24 <sup>2</sup>	25	26	27	28	29	30	31
															188	154	150	134	176	77	177									
													204		3.75	3.05	3.00	2.70	3.50	1.54	3.54									
													4.08																	

<sup>1</sup> Sunday; no work<sup>2</sup> Sunday; went to Pueblo.<sup>3</sup> Transferred to Cameron mine on account of having had dispute about short weight of coal at the Walsen mine. Transferred by Mr. Madison, general superintendent.

## CAMERON MINE, NOVEMBER, 1913.

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26 <sup>1</sup>	27 <sup>1</sup>	28 <sup>1</sup>	29 <sup>1</sup>	30 <sup>1</sup>	31
																									3.10	2.10	2.10	2.10	3.10	

<sup>1</sup> Company work.

Total, \$15.50.

No coal was put out by me. Preparing entry for work and draining water from face of coal.

## CAMERON MINE, DECEMBER, 1913.

[Third lot entry, 40 cents per ton, \$1.50 per yard.]

	1	2	3	4	5 <sup>1</sup>	6	7	8	9	10	11	12	13	14 <sup>2</sup>	15	16	17	18	19	20	21	22	23	24	25 <sup>2</sup>	26	27	28 <sup>4</sup>	29	30	31 <sup>5</sup>
24	29	30	26	26								32				33					(?)										
25	28	31	26	26								28				28					(?)										
26			26									30				33					(?)										
32																					(?)										
29	29	26										(?)	(?)		(?)						(?)										
31																					(?)										
70	200	61	77							146	186	136		53	2	115	53	105	98		56	121	80		125	124		74			
1.57 <sup>1</sup>	4.00	1.20	1.50							2.92	3.72	2.72		1.04	1.88	2.30	1.04	2.10	1.56		1.72	2.42	1.60		2.50	2.48		1.48			

<sup>1</sup> No work shown up to the 10th of this month. Could not obtain weights.<sup>2</sup> Sunday; done crushing.<sup>3</sup> Christmas.<sup>4</sup> No work.<sup>5</sup> No coal loaded.

## CAMERON MINE, JANUARY, 1914.

[Same as December, 1913.]

1	2	3	4 <sup>1</sup>	5	6 <sup>2</sup>	7	8	9	10	11 <sup>3</sup>	12	13 <sup>4</sup>	14	15	16	17	18 <sup>1</sup>	19 <sup>6</sup>	20	21	22	23	24	25 <sup>1</sup>	26 <sup>1</sup>	27 <sup>1</sup>	28 <sup>1</sup>	29	30	31
28						30							30	24	32	28												35		(?)
30						30							30	24	31	31												37		
32						35							30	28	32	32												33		
32													28	28	30	29												32		
													28	29	32													35		
													27	29	28															
122	150	106		60		96	163	206	107		60		173	133	185	120			155	138	60	81	91					172	88	(?)
2.44	3.00	2.10	2.50	1.38		1.90	3.16	4.10	2.14		1.00	2.50	3.46	2.66	3.70	2.40	2.50		3.10	2.72	1.20	1.62	1.82	2.50				3.44	1.66	(?)

<sup>1</sup> Sunday; 5 feet crushing.  
<sup>6</sup> cars of rock and dirt.

<sup>2</sup> Sunday crushing.  
<sup>4</sup> 5 feet crushing, 50 cents per foot.

<sup>7</sup> cars of rock.  
<sup>5</sup> cars of rock.

<sup>1</sup> 4 cars of rock.  
<sup>2</sup> cars of rock.

## CAMERON MINE, FEBRUARY, 1914.

[Same in January.]

2	3 <sup>2</sup>	4 <sup>2</sup>	5	6	7	8 <sup>1</sup>	9 <sup>2</sup>	10 <sup>4</sup>	11	12	13	14	15	16	17	18 <sup>1</sup>	19 <sup>1</sup>	20 <sup>1</sup>	21	22	23 <sup>1</sup>	24	25	26	27	28	29	30	31
														40															
														32															
143				62	71	(?)								73	116			154			25	155	116	61					
2.86				1.24	1.44	(?)								1.46	2.32			3.08			0.50	3.10	2.32	1.22	(?)	(?)			

<sup>1</sup> Sunday; no work.  
<sup>2</sup> 1 car of rock.

<sup>3</sup> Loaded 3 cars of coal; could not obtain weight.  
<sup>4</sup> From the 10th to 15th I did not work.

<sup>5</sup> No coal put out, machine in way.  
<sup>6</sup> 8 cars of rock.

## WALSEN MINE, MARCH, 1914.

[Drawing pillars.]

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22 <sup>1</sup>	23 <sup>2</sup>	24 <sup>3</sup>	25	26	27	28	29	30	31	
.....																																
.....																									42	42	39	39				45
.....																									45	47	45	46				47
.....																									48	47	45	46				44
.....																									39	45	44	44				44
.....																										43						
.....																									129	134	171	129				92
.....																									3.87	4.63	5.13	3.87				2.76
.....																																2.58

<sup>1</sup> Sunday; no work.<sup>2</sup> Preparing place to work.

## CAMERON MINE, MARCH, 1914.

[Same as in February.]

	1 <sup>1</sup>	2	3	4	5	6	7	8 <sup>2</sup>	9	10	11	12	13	14	15 <sup>1</sup>	16 <sup>2</sup>	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
.....																															
.....	32	31	30	30	33	30																									
.....		25	24	31	30																										
.....		24	32	30	30																										
.....		29	27	31	31																										
.....						26																									
.....						33																									
.....	33	109	123	184	121	185			115	61	86	161	124	(?)																	
.....	0.64	2.13	2.46	3.68	2.42	3.70			1.70	1.22	1.72	3.22	2.48	(?)																	

<sup>1</sup> Sunday; no work.<sup>2</sup> Left third left entry and worked at cross-cut from fourth left to fifth left.<sup>3</sup> Left Cameron mine for Walsen mine. Superintendent refused to let me go; but I insisted, and left Cameron Saturday for Walsen. Reason I left, weight and earnings were too small.





## SOLAR MINE, DECEMBER, 1914.

[45 cents per ton.]

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
1	21																														
2	22	32	32	30	30			31	32		28																				
3	23	32	31	32	32			32	31		28																				
4	24	32	32	30	32			30	32		28																				
5	25	32	32	32	32			32	31		28																				
6	26	31	31	32	32			31			28																				
7	27	31	31								28																				
8	28	31	29					29			30																				
9	29	31						30																							
10	30	30																													
11	31																														
12	32							246	126		204																				
13	33	30	20	92	156			5.53	2.83		4.59																				
14	34	30	2.07	3.51																											

1 No work.

2 Sunday; no work.

3 Mine not working.

4 Left for Denver to give testimony before United States Commission.

# THE COLORADO COAL MINERS' STRIKE.

7413

*Huerfano Fuel Co., Walsenburg mines, monthly time statement, W. F. Lenthall.*

## FIRST HALF MONTH OF JULY, 1914.

<b>Debit:</b>		<b>Credits:</b>	
Coal.....	\$0. 25	60 hours, at 38½ cents.....	\$23. 25
Water.....	. 20		
Rent.....	1. 70		
Telephone.....	. 35		
Check.....	10. 00		
Total credits.....			\$23. 25
Total debit.....			12. 50
Balance.....			10. 75

*Mutual Coal Co., Walsenburg mines, pay-roll statement, W. F. Lenthall.*

## SECOND HALF MONTH OF JULY, 1914.

<b>Debit:</b>		<b>Credits:</b>	
Coal.....	\$0. 75	192 hours, at 38½ cents.....	\$74. 40
Doctor.....	1. 00		
Water.....	. 50		
Rent.....	5. 00		
Hospital.....	. 25		
Total credits.....			\$74. 40
Total debit.....			7. 50
Balance.....			66. 90

## FIRST HALF MONTH OF AUGUST, 1914.

<b>Debit:</b>		<b>Credits:</b>	
Coal.....	\$0. 75	132 hours, at 38½ cents.....	\$51. 15
Water.....	. 50		
Rent.....	5. 00		
Telephone.....	2. 05		
Total credits.....			\$51. 15
Total debit.....			8. 30
Balance.....			42. 85

## SECOND HALF MONTH OF AUGUST, 1914.

<b>Debit:</b>		<b>Credits:</b>	
Oil.....	\$1. 20	124 hours, at 38½ cents.....	\$48. 05
Coal.....	. 75		
Doctor.....	1. 00		
Water.....	. 50		
Rent.....	5. 00		
Hospital.....	. 25		
Total credits.....			\$48. 05
Total debit.....			8. 70
Balance.....			39. 35

## FIRST HALF MONTH OF SEPTEMBER, 1914.

<b>Debit:</b>		<b>Credits:</b>	
Coal.....	\$0. 75	114 hours, at 38½ cents.....	\$44. 17
Water.....	. 50		
Rent.....	5. 00		
Total credits.....			\$44. 17
Total debit.....			6. 25
Balance.....			37. 92



# 7414 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

*Huerfano Fuel Co., Walsenburg Mines, monthly time statement, W. F. Lenthall.*

## SECOND HALF MONTH OF SEPTEMBER, 1914.

Debit:		Credits:	
Coal.....	\$0. 75	116 hours, at 38½ cents.....	\$44. 95
Doctor.....	1. 00		
Water.....	. 50		
Rent.....	5. 00		
Hospital.....	. 25		
Total credits.....			\$44. 95
Total debit.....			7. 50
Balance.....			37. 45

## FIRST HALF MONTH OF OCTOBER, 1914.

Debit:		Credits:	
Coal.....	\$0. 75	123 hours, at 38½ cents.....	\$47. 06
Water.....	. 50		
Rent.....	5. 00		
Total credits.....			\$47. 06
Total debit.....			6. 25
Balance.....			41. 41

## SECOND HALF MONTH OF OCTOBER, 1914.

Debit:		Credits:	
Coal.....	\$0. 75	135½ hours, at 38½ cents.....	\$52. 50
Doctor.....	1. 00		
Water.....	. 50		
Rent.....	5. 00		
Hospital.....	. 25		
Total credits.....			\$52. 50
Total debit.....			7. 50
Balance.....			45. 00

DENVER, COLO., December 16, 1914.

*To the United States Commission on Industrial Relations:*

I hereby certify that I have compared the notes of Walter F. Lenthall, as filed by him with this commission, with the original notes of Mr. Lenthall, and certify that these are a true and correct copy of the original.

[SEAL.]

CLEMENT F. CROWLEY,

*Notary Public, City and County of Denver, State of Colorado.*

My commission expires February 7, 1917.

## ARMON'S EXHIBIT.

*Headquarters and Company B, Second Infantry, stationed at Ludlow and Cedar Hill, morning of April 20, 1914.*

Name.	Rank, organization.	Age.	Residence.	Length of service in organization.	Previous employment.
Hanrock, P. J.	Major, First Infantry.	43	Denver.	11 years.	Merchant, saloon keeper.
Benedict, R. W.	First lieutenant, First Infantry.	29	Lupin.	2 years.	Irrigation engineer.
Lamme, S. J.	First lieutenant, Medical Corps.	38	La Veta.	6 months.	Physician.
Lawrence, K. F.	First lieutenant, Second Infantry.	37	Cripple Creek.	6 years.	Miner, quartz.
Lawrence, G. S.	First lieutenant, First Squadron Cavalry.	34	Denver.	12 years.	Watchman, Colorado Museum.
Blelow, M. C.	First lieutenant, First Infantry.	24	do.	2 years.	Student.
Taylor, C. E.	First sergeant, Company B, Second Infantry.	22	do.	4 years.	Bookkeeper.
Cullen, P. N.	Quartermaster sergeant, Company B, Second Infantry.	26	do.	3 1/2 years.	Painter.
Davis, John.	Sergeant, Company B, Second Infantry.	31	Teller.	7 months.	Miner.
Smith, E. L.	do.	21	Westcliffe.	6 months.	Blacksmith.
Smith, C. G.	do.	28	do.	do.	Do.
Casey, T. J.	do.	29	Trinidad.	7 months.	Clerk.
Mills, C. L.	do.	27	do.	8 months.	Laborer.
Fallon, C. E.	do.	27	Berwind.	7 months.	Miner.
Seeborg, C. A.	do.	37	do.	3 months.	Packer.
Wood, Irs M.	do.	22	Ramah.	11 months.	Farmer.
Kiesel, H.	do.	22	Trinidad.	7 months.	Cook.
Masters, C. T.	Corporal, Hospital Corps.	20	do.	do.	Do.
Gatlin, Owen.	Cook, Company B, Second Infantry.	32	Denver.	4 years.	Student.
Anglen, T. J.	Cook, Troop C, First Squadron Cavalry.	20	Trinidad.	6 months.	Laborer.
Campbell, L. deC.	Musician, Company B, Second Infantry.	19	Denver.	7 months.	Student.
Fanning, C. L.	Private, Company L, First Infantry.	19	do.	6 months.	Student.
Faulkes, H. B.	Private, Company A, First Infantry.	23	La Junta.	9 months.	Car finisher.
Feder, Philip.	Private, Company H, Second Infantry.	19	Denver.	1 year 1 month.	Student.
Gulley, A. M.	Private, Company L, First Infantry.	23	do.	7 months.	Leather worker.
Leonard, C.	do.	21	do.	do.	Clerk.
Martin, A. J.	Private, Company L, First Infantry.	19	do.	6 months.	Cook.
Mason, F. M.	do.	22	do.	2 months.	Steam fitter.
Osborne, Geo.	Private, Company A, First Infantry.	21	do.	2 years 3 months.	Printer.
Pacheco, Dan.	do.	23	do.	do.	Machine operator.
Smith, J. E.	Private, Company B, Second Infantry.	23	Trinidad.	14 years.	Miner.
Wainstein, M. E.	Private, Company L, First Infantry.	41	Denver.	7 months.	Machinist.
Wood, N. V.	Private, Company A, First Infantry.	23	do.	do.	Clerk.
Woodard, F. S.	Private, Company B, Second Infantry.	30	Berwind.	3 months.	Steel worker.
Zimmer, Frank.	do.	25	Hastings.	7 months.	Laborer.
Hollis, Jno. I.	Private, Company A, First Infantry.	22	Wheatridge.	6 months.	Correspondent.
				3 years.	Cook.

<sup>1</sup> Written in pencil in original list.

## AMMONS EXHIBIT—Continued.

*Detachment Company A, Second Infantry, assigned to Company B, Second Infantry, station Sopris; reported at Ludlow April 20, 1914, at 3.45 p. m.*

Name.	Rank, organization.	Age.	Residence.	Length of service in organization.	Previous employment.
Connor, C. A.	Second Lieutenant, Second Infantry.	27	Colorado Springs.	4 years.	Grocer.
Baker, H. E.	First Sergeant, Company A, Second Infantry.	31	do.	6 months.	Soldier, Regular Army; printer.
Greenman, G. D.	Corporal, Company A, Second Infantry.	23	do.	7 months.	Teamster.
Herbert, J. A.	Private, Company A, Second Infantry.	27	do.	4 months.	Soldier, Regular Army; shipbuilder.
Hornbeck, D. R.	do.	21	do.	3 months.	Cook.
Lloyd, William.	do.	23	do.	6 months.	Laborer.
Purcell, L. L.	do.	33	do.	do.	Do.
Ragan, W. L.	do.	20	do.	2 years.	Baker.
Schaeffer, E. E.	do.	26	do.	3 months.	Cowboy.
Schaeffer, H. H.	do.	24	do.	do.	Do.

## BRAKE EXHIBIT NO. 1.

DENVER, COLO., October 10, 1913.

Complaint being made to Edwin V. Brake, deputy State labor commissioner, that a number of men had been imported into Colorado contrary to and in violation of State law, the same being chapter 180 of the Session Laws of 1911, he, Edwin V. Brake, accompanied by Deputy R. E. Croskey, proceeded to Louisville, Colo., on the afternoon of October 10, 1913, and there found the following men:

Edward Ryan, age 34, boilermaker's helper, 329 South Center Street, Chicago.  
 James Harrison, electrician, age 34, 444 South State Street, Chicago.  
 E. Summers, machinist, age 24, 444 South State Street, Chicago.  
 Barney Garrigan, motorman, age 29, Reliance Hotel, Chicago.  
 C. S. Maddox, electrician, age 25, 1716 Warren Avenue, Chicago.  
 J. J. Ryan, clerk, age 28, 47 West Van Buren Street, Chicago.  
 Frank Kane, boilermaker, age 25, 1822 North Lincoln Street, Chicago.  
 L. O'Bryan (signed as J. Reeves), boilermaker, age 26, 525 South State Street, Chicago.

F. H. Perry, machinist, age 26, Warren Hotel, Chicago.

Walter Emmons, laborer, age 43, 2745 West Polk Street, Chicago.

George Connors, age 31, laborer, 1842 West Monroe Street, Chicago.

These men state that men named West, Miller, Andrews, Cole, and Ellis, were also in a party of 16 men altogether, who were hired in Chicago by a Mr. McFarland, a passenger agent of the Chicago & Rock Island Railroad, and brought by him in a special steel coach as far as Limon, Colo., where the men were locked in the coach and brought to Denver, then turned over to the Colorado & Southern Railroad and transported to Louisville, Colo. On the journey from Limon to Louisville, Colo., the coach was kept locked. The coach was sidetracked and the party left the car at the Monarch Mine No. 2 near Louisville; that these men were hired in Chicago to do shoveling and labor work at the rate of 39½ cents per hour; that the men were to further receive \$3 per day and board during transit from Chicago to Louisville.

They left the La Salle Street depot at Chicago on No. 5 train, at 10.30 p. m., Tuesday, October 7, and arrived at Monarch mine Thursday, October 9.

The men were told they were going to work in an open shop, and that no strike had been on for three and one-half years, and were not told that they were to work in a coal mine. Upon arrival at the mine they were told that they were wanted to shovel coal in the mine, and they learned that it was a strike job. They refused to work as they knew nothing about mining and did not care to take a chance in a mine, and further, they would not act as strike-breakers.

Their baggage which had been taken from them at Chicago and no baggage checks allowed them, was here given them in a much damaged condition, their suit cases were broken and E. Ryan's was so much damaged that he left it at the mine. The men were also locked in the car during transit and people were not allowed to see or talk to them. They were fed two meals in the diner and sandwiches and coffee at Limon, Colo.

Upon the men refusing to work at the mine they were told they could "hoof it to Denver"; they told that they were without funds and asked for pay as agreed upon during transit. This they were refused and the men then asked who had brought them out here, the name of the party paying the transportation; this the manager of the mine said he did not know and professed to not know how they came or who brought them. They then left the mine and were taken in charge by the union coal miners at Louisville who have fed and housed them since. The matter was then reported to the State labor commissioner.

## BRAKE EXHIBIT NO. 2.

DENVER COLO., December 30, 1914.

Mr. FRANK P. WALSH,

*Chairman, United States Commission on Industrial Relations,**Chicago, Ill.*

DEAR SIR: In response to your request at the time I appeared before your commission, I herewith mail you supplementary evidence embracing some of the features of the coal strike in Colorado.

I desire to give your commission an example of the system employed by the coal companies in recruiting gunmen at the beginning and during the strike in southern Colorado. Sometime during the early part of the year Judge Northcutt, who was an attorney for the coal companies, sent a communication to the chief justice of the Supreme Court in New Mexico, requesting that the chief justice secure for him some gun fighters for use in the Colorado coal strike. This communication was accompanied by a check or draft to pay for the transportation of these men. The chief justice of the supreme court sent for Fred Farnoff, who was at that time the captain of the constabulary or State rangers of New Mexico, and acquainted him with the contents of the letter and asked Farnoff to secure these men. Farnoff sent for Lopez Gomez, who at one time was city marshal of Santa Fe, N. Mex., a notorious character, and asked him to enlist these men. He enlisted 15 besides himself and was furnished transportation to Trinidad, Colo.

They arrived over the Santa Fe Railroad in the morning and was met at the depot of Trinidad by a representative of Judge Northcutt and were taken to the office of the Chronicle-News, a daily newspaper owned and controlled by Judge Northcutt. There, they were met by Judge Northcutt and Sheriff Gresham, who enrolled the 16 men as deputy sheriffs and gave them commissions, a \$0-30 rifle, and revolver each. They then started for the depot to be shipped to some camp, the exact destination unknown to me, but in the strike district, where they were met by the picket of the union and taken up to the union headquarters. When Gresham found that they were in the union headquarters he went up to demand the return of their revolvers and commissions as well as the deputies, all of which were surrendered to him, but the men refused to further participate in the strike as deputy sheriffs and went to the depot and returned to Santa Fe, N. Mex. This information I obtained through my deputies and from Fred Farnoff personally. My reason for telling this story was to inform the commission of the methods employed by the coal companies in recruiting their gun fighters. Now, in the first place, Judge Northcutt technically is an officer of the court as an attorney; he conspired with the chief justice of a neighboring State to import into Colorado a lot of undesirable citizens in strict violation of the laws of Colorado. We have a statutory provision in this State that requires the qualifications of a deputy sheriff to be the same as that of his principal, and a sheriff is not eligible to the office until he has been a year's resident in the county from which he is elected. We have another statutory provision that requires that every deputy sheriff shall be a citizen of the State, and one can not become a citizen under a year's residence, and a further provision that a citizen of the State must have resided 60 days in the State immediately preceding his being sworn in as deputy sheriff. The above narrative shows that all of the laws were violated by men sworn to support the laws of the State of Colorado. This is but one illustration of many, showing the methods employed in recruiting the deputy sheriffs who were commissioned by Gresham in Las Animas and Fred Farr in Huerfano County.

From newspaper reports I learned that you sought to ascertain from various witnesses what, if any, political actions were taken by the coal companies in those two counties. Here is one of the best illustrations that I could give you: At the beginning of the strike in September, 1913, every county official in both Las Animas and Huerfano Counties were subservient tools of the coal companies, so that when a number of independent mines in Huerfano County signed up with the union mine workers and continued operating their mines the political forces which are controlled by the coal operators became alarmed, fearing that the men working in these independent mines and being out from under the influence of the county officials and coal companies might vote as they pleased. Several hundred of these union miners who were employed by the independent companies and showing quite an interest in politics, feeling that if they could elect some fair men as county officials it would be largely to their interest, became naturalized and all registered. To offset this, in July, 1915, the county officials in Huerfano County, by resolution, changed the precinct and polling places. At the Tloga and Big Four mines, which had become unionized, and where there had always been a voting place, by the July resolution they were removed 9 miles from the mines out to a farmhouse, so that the men who were registered and citizens would have to make a trip of 18 miles in order to exercise the right of franchise, making it as hard as possible for these people to vote. On the other hand, in the closed camps, such as at the Walsen mine, they made the boundaries of the precinct within the barb-wire inclosures, making it as easy as possible for the nonunion miners to vote and giving the

political gang controlled by the coal companies absolute control of the precincts. I will hereto attach a letter signed by E. L. Neeley, with a copy of the resolution passed by the board of county commissioners.

To further illustrate the absolute control by the companies of the officials of these counties, I wish to state that had the county commissioners desired to be fair they would have established a voting precinct at Ludlow, Las Animas County, but they required the voters at Ludlow, where the tent colony is located, to go to Hastings to cast their vote. There is hardly a chance for a fair election at Hastings, and a great many of the striking miners would not go to Hastings for fear of bodily injury. It might be well for me to inform you that Hastings is an incorporated town, the superintendent of the mine is the mayor of the town, and the streets and alleys were never dedicated to public use, so that whenever anyone not desired by the coal companies appeared on the streets of that town they are subject to arrest as trespassers, so that every known political scheme is employed by these people to perpetuate themselves in office under the control of the coal companies.

In my evidence before the commission, I touched briefly on the fact that employees of this department had been denied the right to make investigations in the closed camps in Las Animas County. I herewith submit copy of an affidavit signed by Robert Brocket and Mildred Brocket, on the 10th day of January, 1914. The original affidavit I turned over to Gov. Ammons, upon his assurance that he would make an investigation through his office but I never received any report as to what he did in the matter. In fact, that was the reception I received at his hands with any information I gave him touching upon the coal strike. I attach hereto a report of Eli M. Gross, one of the employees of this department, whom I sent to make an investigation as to the peonage in those two counties.

As an illustration of the relations existing between the coal companies and Gen. Chase I will say that in the first week in January, 1914, I was in Trinidad during the entire week; there was absolutely no evidence of disorder, the streets of Trinidad were as quiet as any law-abiding streets in the country, but I noticed that the militia seemed to be bent on fomenting trouble rather than assuming an attitude of peace. On several occasions I have seen Wm. Murray, vice president and general manager of the Victor-American Fuel Co., and Gen. Chase in conversation on the sidewalk before the Columbia Hotel and within 10 or 15 minutes after they separated a troupe of cavalry would come charging up the streets on the dead run and, in several instances, ride their horses on the sidewalks, driving the people into the stores or off the sidewalks into the streets, without any justification or excuse. After the cavalry would leave then a patrol would be put on the sidewalks, infantry with fixed bayonets, walking four abreast up the walks pushing people into the streets or into the stores. This occurred so often and with no other object, in my judgment, than to force the striking miners to resent their actions. Several times during the week that I was in Trinidad, troops were taken to the depot, surrounding it and keeping every person back, waiting for the train to come in with strike breakers. No one was allowed to talk to these men; they were locked in their cars and switched on to trains and dropped off at different camps. And this was all done in strict violation of the statute in this State.

As a further evidence to prove that the militia were wholly imbued with the idea that it was their duty to assist the coal companies in the strike, without reference to any law of man or God, was on the 20th of April, 1914, and that took place at Ludlow; the tent colony was shot up first and then burned. At 12.15 on the 21st, I left Denver for Trinidad. It was my intention to stop off at Ludlow and on the way down I found a militiaman in full uniform on the train, who knew me but I did not know him; but I found that he was an employee of the Burlew Detective Agency and a member of the State militia. He informed me that Gen. Chase had sent him to Ludlow with 7,500 rounds of ammunition for the coal companies—not for the militia. The ammunition was unloaded at Ludlow, and when I attempted to get off the train I was ordered back and not permitted to get off at all. I opened a window as many other passengers had done. The train was patrolled by 25 militiamen in full uniform and their entire conversation was boasting of having killed so many people; boasted of killing Louis Tikas, and regretted their inability to kill the Winberg boys and John Lawson. They stated in my hearing, parties unknown to me but in uniform, that they had killed the "Damn red necks and had 16 of them in one pile." Their whole conversation and attitude was one of hatred toward the striking miners, boastful of the number they had killed and desiring to kill

more. Not being permitted to get off the train I went to Trinidad and I found the city in great excitement; there were no militia there, but no effort was made by the thousands of men who had come to Trinidad after the burning of Ludlow to commit any violation of the law. Occasionally you would find some radical who wanted to do something to avenge the colony, but through the efforts of John Lawson, assisted by the other officials of the United Mine Workers, everything was peaceful and quiet.

At this time, it being the 22d of the month, a great many of the women and children had not been located, having been scattered over the country, running away from the burning colony and taking refuge with the farmers. But a great deal of the country being under the fire of the machine guns the work of collecting these people was very hard. On the morning of the 23d information was brought to Trinidad that there was a pit full of women and children and asking that the undertaker wagons be sent out to get the bodies. When the undertakers attempted to go to Ludlow they were fired upon and driven back by the militia, notwithstanding they were driving undertaker wagons. Several railroad employees passing through Ludlow had filed a protest against dead bodies being laid in plain view of the trains, so that permission was granted by Maj. Hamrock for the undertakers' wagons to come and get the bodies and the Red Cross people were permitted to accompany them.

John McLennan, president of district 15, United Mine Workers, also secured permission of Maj. Hamrock to accompany the party; so two automobile loads of people, McLennan, the Red Cross, two ministers from Trinidad went ahead. I accompanied the two drivers who took the two undertaker wagons starting for Ludlow at the same time. Our conveyances being drawn by horses, we did not arrive until about an hour after the autos did. An incident occurred just before I reached Ludlow that would give you some idea of the vicious manner in which the militia conducted conditions. While east of Ludlow, a man who lived alongside of the road told me that if I attempted to go any farther he was satisfied that I would be shot; that the machine guns were shooting at everything along the road, and while we were talking to this man, an auto appeared along the top of the hill and started toward Trinidad. Immediately the machine guns were turned on this machine and I presume there were many hundred shots fired on it. When the machine came up to where I was the wind shield was shot off and many holes were in the top and body of the machine. The machine was owned by a man by the name of Seevers, a merchant who resides in Roswell, N. Mex. He was accompanied by his son and daughter and his daughter-in-law. After I assured him there was no further danger he started on his way to Trinidad and stopped over night at the Toltec Hotel.

I then started to go to Ludlow and no attempt was made to shoot at us. We were carrying a Red Cross flag, and the only conveyance we had were the two undertaker wagons. When I got to the tent colony, or where it had been located, I went over to the pit or cellar that had been found and assisted in taking out of that hole 11 children and 2 women. It is my firm opinion that these women and children, at least not all of them, were suffocated in this place. Being under ground there was no chance for them to be burned, and some of them were burned so badly that you could not distinguish whether they were black or white unless you looked under their clothing. I feel satisfied that some of them were burned in other tents and afterwards put in this hole by the militia.

Another instance that I would like to relate; this is only my opinion, but the circumstances surrounding the case justified me in saying that I feel there was a conspiracy to murder John McLennan, president of district 15, he having received permission to go to Ludlow from Maj. Hamrock, and upon his arrival he was promptly arrested and taken before Maj. Hamrock by a corporal or a sergeant, but Hamrock ordered his release. McLennan then went down in sight of the colony waiting for the arrival of the undertaker wagons, but they were removing the bodies, and he was arrested the second time and was told to stand in the middle of the road in front of the colony site, and when I arrived on the scene was standing there by himself without even a guard. It was some five minutes after I got up to the hole where the bodies were before I learned of McLennan's arrest, and the whole situation was so suspicious to me that I asked one of the nurses and a couple of women to go down and stand by McLennan in the road. It is my opinion that he was placed there for no other purpose than to have him shot from the cars on the tracks a short distance away, and the report would be made that he attempted to escape after being arrested. That was what they did to Tikas and Fyler on the 20th.

The whole attitude and conversation of the militia on this occasion was one of hatred and full of malice and profanity and everyone who in any way at all sympathized with the striking miners were characterized immediately as "red necks" and undesirable and should be driven from the country. When I protested to some soldiers about firing on the autos, I was informed that it was none of my business; that had they known who was on the undertaker wagon they would have shot it up. I give these illustrations out of many, many hundreds that I might enumerate had I the time and space. I trust that this commission will be able to give to the United States the widest possible publicity of the information gained in this State and evolve some plan by which it shall not occur again. Constitutional government does not exist in certain portions of Colorado, and this situation has been brought about by the greed of the few nonresident mine officials.

Respectfully submitted.

EDWIN V. BRAKE,  
Deputy State Labor Commissioner.

---

WALSENBURG, COLO., September 27, 1914.

MR. E. V. BRAKE,  
Denver, Colo.

DEAR MR. BRAKE: Yours of 24th instant to hand, and take pleasure in giving you the desired information as far as I have been able to get it. Am inclosing you the copies of the commissioners' orders; the changes were made (most of them) at the July board meeting. As the inclosed copies state, there was one change made the 16th of the present month, as you will notice.

I also give you the name of three precincts that are inclosed by barbed-wire fences where we have no show to see that a semblance of a square deal may be had, to wit:

Walsen mine (No. 18): Inclosed, with nothing in the precinct but scab votes.

Rouse (No. 22): Inclosed, with nothing in the precinct but scab votes.

Oakview (No. 20): Inclosed, with nothing in the precinct but scab votes.

There are also five other precincts that are not inclosed, but had just about as well be, as they are just coal camps and nothing in them but mine guards and their laborers. I know that there are a great many that will vote in these camps that are not legal voters, if they are not looked after. The question now is, How are we to get a square deal in these corporation camps?

Tloga and Big Four, which formerly voted in their mines, were changed at their July board meeting so the miners are compelled to go 18 miles to vote. These are all solid Democratic votes as the mines have been working under union scale. When the mines signed up with the union the commissioners changed the voting place, thinking perhaps it would knock the Democrats out of some of their votes. This is now known as Tloga precinct No. 30.

We certainly hope there can be something done to relieve us of this dominating way that our county commissioners have of changing precincts at their pleasure to accommodate them and do so much injustice and inconvenience to the fair-minded people of this county. All that we are asking for is a square deal, we want nothing more. This, I imagine, if taken up in the proper way will be remedied. If we can get a square deal in these closed camps we certainly can wipe this rotten political clique out of existence (after 18 years), and I think no stone should be left unturned to clean up on this bunch. The honorables Charles Thomas and Edward Keating know just what this political situation in Huerfano County is; they know what these people in power will do to remain in power; there is nothing so low down that the present gang would not do to accomplish their ends.

If there is any other information that you desire, as it, and if it is possible for me to get it you shall have it at once.

Yours, very truly,

E. L. NEELY.

---

WALSENBURG, COLO., September 16, 1914.

Whereas at the July meeting of this board, owing to the small number of voters at that time residing in Niggerhead precinct No. 14, said precinct was ordered discontinued as an election precinct, and the territory contained therein was ordered annexed to North Veta election precinct No. 10; and



Whereas it now appears to this board that the coal mines located in said Niggerhead precinct No. 14, as heretofore existing, have resumed operation and are now employing a large number of mine workers to whom much unnecessary travel and inconvenience will be occasioned if compelled to vote in North Veta precinct No. 10: Therefore it is

*Ordered*, That the action of this board at its July meeting, in relation to said Niggerhead precinct, be rescinded and that the said Niggerhead precinct, No. 14 be, and it is hereby, reestablished as a voting precinct, and shall consist of the following territory, to wit: The south half of section 7, sections 18 and 19, in township 28, range 66, and sections 13, 14, 23, 24, 25, and 26 in township 28, range 67; and it is further

*Ordered*, That the voting place of said precinct be at the Niggerhead boarding house, and that Ruben Romero, Dale Jellison, and Antonio Pacheco be appointed the judges of election in said precinct.

[Exact copy of the board of commissioners' orders.]

*Ordered*, That sections 21, 23, and 33, heretofore forming part of Crestones precinct No. 12, be taken from said precinct and added to Gardner precinct No. 1.

*Ordered*, That Oak Creek precinct No. 34, be disestablished and that the territory heretofore comprising said precinct, as established by order of the board on October 7, 1910, be added to and form part of Badito precinct No. 2.

*Ordered*, That all that part of Badito precinct No. 2, as heretofore established, lying east of a line running from Querna Verda Peak and following the mountain ridge to the Badito bridge, and east of the road from Badito bridge to La Veta, be taken from said Badito precinct and added to Tioga precinct No. 30; that said consolidated precinct be known as Tioga precinct No. 30, and that the voting place of said precinct be at the schoolhouse of school district No. 3, in NE.  $\frac{1}{4}$  NE.  $\frac{1}{4}$  sec. 3, T. 27, R. 68.

That the territory comprised in Turkey Creek precinct No. 11, and Birmingham precinct No. 13, as heretofore established and created be consolidated into one precinct to be known as Birmingham precinct No. 13, and that the voting place of said precinct be at the Birmingham schoolhouse.

*Ordered*, That the territory in Rocky Mountain precinct No. 29, and Gordon precinct No. 45, as heretofore established and created, be consolidated into one precinct to be known as Rocky Mountain precinct No. 29, and that the voting place of said precinct be at the schoolhouse at Rocky Mountain.

*Ordered*, That the territory comprised in Pictou precinct No. 17, Maitland precinct No. 23, and Toltec precinct No. 28, as heretofore established and created, be consolidated into one precinct to be known as Pictou precinct No. 17, and that the voting place of said precinct be at the Pictou schoolhouse.

*Ordered*, That Niggerhead precinct No. 14 be discontinued and the territory heretofore contained in said precinct be added to and form part of North Veta precinct No. 10.

*Ordered*, That sections 13, 14, 15, 16, 17, part of section 19, sections 20, 21, 22, 23, 24, and part of sections 30, 29, 28, 27, and 26 in T. 29, R. 65, heretofore forming part of Rouse and Pryor precincts, be taken from said precincts and added to Valdez precinct No. 31, and that the boundaries of said Valdez precinct No. 31 be, and they are hereby, established as follows, to wit:

Commencing at the northwest corner of section 3, T. 28, R. 65, and running thence south on section line 3 miles, thence west on section line  $2\frac{1}{4}$  miles to the east boundary of precinct 24; thence south along said boundary parallel to the range line between ranges 65 and 66, and distance  $\frac{1}{4}$  mile east thereof to the north boundary of section 18, T. 29, R. 65; thence south on section line  $1\frac{1}{4}$  miles; thence west to center of section 19, T. 29, R. 65; thence  $\frac{1}{4}$  mile to SW. corner of NW. of NE. quarter of section 30, T. 29, R. 65; thence east on subdivision line to the eastern boundary of the county; thence northeasterly along said boundary to its intersection with the north boundary of township 28, R. 64, and thence west along said boundary 8 miles more or less to the place of beginning; and be it further

*Ordered*, That the boundaries of Pryor precinct No. 21, and Rouse precinct No. 22 remain as heretofore established, less those portions thereof hereby added to Valdez precinct No. 31.

*Ordered*, That precincts Nos. 16 and 39, as last heretofore existing and established, be consolidated into one precinct to be hereafter known as Walsenburg precinct No. 16, and that the voting place of said precinct No. 16 be at Farr's garage.

*Ordered*, That Walsenburg precincts Nos. 26 and 41, as last heretofore existing and established, be consolidated into one precinct to be known as Walsenburg precinct No. 26, and that the voting place of said precinct No. 26 be at the Coor's storage, near the D. & R. G. depot.

*Ordered*, That Walsenburg precincts Nos. 36 and 40, as last heretofore existing and established, be consolidated into one precinct and to be hereafter known as Walsenburg precinct No. 36, and that the voting place of said precinct be at the colored church.

*Ordered*, That the territory comprised within the boundary of Walsenburg precincts Nos. 6, 38, 37, and 42, as last heretofore existing, be henceforth divided into three precincts to be known as Walsenburg precinct No. 6, Walsenburg precinct No. 37, and Walsenburg precinct No. 38, with boundaries as follows, to wit:

Commencing at the intersection of the center line of Russell Street, town of Walsenburg, with the track of the D. & R. G. R. R. and running thence west along the center of said track to its intersection with the track of the Colorado & Southern R. R.; thence along the center of said track to the south boundary of the town of Walsenburg; thence east along said south boundary to its intersection with the center line of Hendren Street in Walsenburg; thence north along said line to an intersection with the center line of Seventh Street, town of Walsenburg; thence east along said line to an intersection with the center line of Albert Street, town of Walsenburg; thence north along said line to an intersection with the center line of Sixth Street, town of Walsenburg; thence east along said line to an intersection with the center of Russell Street, Walsenburg, and thence north along said line to an intersection with the track of the D. & R. G. R. R. to the place of beginning; that said described precinct be henceforth known as Walsenburg precinct No. 6, and that the voting place of said precinct be at the county courthouse.

Commencing at the intersection of the center line of Russell Street, town of Walsenburg, with the center line of Sixth Street, town of Walsenburg, and running west along said line to its intersection with the center line of Hendren Street, Walsenburg; thence south along said line to the south boundary of the town of Walsenburg; thence east along said boundary to the southeast corner of said town; thence north along the center of the traveled road to Main Street, Walsenburg, and along the center of said street to its intersection with the center line of Seventh Street, Walsenburg; thence east along said line to its intersection with the center line of Russell Street, Walsenburg, and thence north along said line to its intersection with Sixth Street, Walsenburg, the place of beginning. Said above-described territory to be henceforth known as Walsenburg precinct No. 37, and that the voting place of said precinct be at the Klien Hotel.

Commencing at the point where the east boundary line of the town of Walsenburg intersects the center line of the track of the D. & R. G. R. R. and running thence west along said line to its intersection with the center line of Russell Street, Walsenburg; thence south along said line to its intersection with the center line of Seventh Street, Walsenburg; thence west along said line to its intersection with Main Street, Walsenburg; thence south along said line and the public highway across the Cucharas River to the east boundary of the town of Walsenburg; thence north along said boundary to the center of the Cucharas River; thence easterly along center of said river to its intersection with the range line between ranges 65 and 66; thence north along said range line to its intersection with the center line of the track of the D. & R. G. R. R., and thence westerly along said line to its intersection with the east boundary of the town of Walsenburg, the place of beginning. Said described territory to be henceforth known as Walsenburg precinct No. 38, and that the voting place of said precinct be at the Washington schoolhouse.

---

AFFIDAVIT.

STATE OF COLORADO,  
County of Las Animas, ss:

We, Robert Brockett and Mildred Brockett, of lawful age, being first duly sworn, upon oath depose and say: On the 19th day of December we shipped through Mr. Coffee, an agent for the employment firm of O'Neill & Price, whose office is situated at 413½ Virginia Avenue, Joplin, Mo., for Colorado. We were

told that there had been a strike at this place, but that it was settled, most of the strikers having returned to work, the others going to other parts of the country.

We were given a contract and two blanks to sign, and were told that this contract was for 20 acres of land one-half mile from the mine, this land to be paid for \$10 each pay day until \$1,200 had been paid; we were also told that the house would be furnished complete, and that we could have one, two, three, or more rooms; we were taken to the depot by a Mr. West, who seemed to take a great interest in all the people who were shipping, and who had informed us that all of the women of the party would be furnished with sleeping accommodations in the Pullman; also the entire party would be furnished with meals at regular intervals.

We had supper at Burton, Kans., and about 9.30 we asked to be shown to the berth; we were told that there was no berth for anyone, and that we would have to stay in this car, an ordinary day coach; we were forced to sit up all night regardless of the fact that I offered to pay for a berth for Mrs. Brockett. I was not permitted to get out to buy anything to eat for breakfast, but was told that we would have lunch at La Junta; arriving there, was not allowed to get off, but was told that we would have lunch in Trinidad; but upon our arrival there we were not allowed to get off, and were told to close the windows; that we were but a short ways from our destination and would have lunch there in 30 minutes. It was 11.30 before we had anything to eat that day.

Although we had been told that we could have one, two, or more rooms that were furnished, we were forced when we arrived at Delagua to take a four-room cottage and to pay \$0.40 for the same. It being unfurnished, we were told that we would have to buy the furniture, which we did, the bill amounting to \$252, all of it being secondhand. We bought this much furniture, as we intended to keep four boarders, which we did for three days, when they were fortunate enough to get out of the camp and away. We then returned \$61 worth of the furniture, as we had made up our minds to get along with as little expense as possible, thinking in that way we could get out of debt and leave this place. We concluded that in order to reduce expenses we would ask for just \$5 per week at the store. My wife went to the superintendent and explained to him this matter and asked him for an order for \$5 for groceries, which he gave her. This amount lasted a trifle over a week, and when we went to the store for another \$5 credit she was told by the clerk in a very insolent manner that she couldn't get anything there, that she would have to go to the superintendent and get an order, they having made other arrangements since this agreement with him. When she went to the superintendent, she was told that he would not give her an order, as her orders were coming too fast. When told this, Mrs. Brockett replied that a man to work must have something to eat and that if she could not get it they would leave. She was told by the superintendent that she would not be allowed to leave, that they owed the company, and he was there to protect the company and see that they were paid. Mrs. Brockett then told him that she had a father and that she would send for him. The superintendent informed her that she could send for her whole damn family for all the good it would do her, as they would not get in when they came. Mr. Brockett says that while in the store one evening a Mr. Davis, who came from Pittsburgh, started to tell some soldiers about a man whom he found dead in the mine and whom he says was shot. Mr. Davis was told by the soldiers it would be a damn good thing for him to keep his head shut and that no one was killed in the mine, although Mr. Davis says that the body of Mr. Hayes, the man who was shot, was still warm when he found it.

There are five families at Delagua who are badly in want and who have been refused the privilege of leaving. One of these families, Vaughn by name, has three children, one a boy about 4 and two girls, 6 and 8 years, respectively. The children are without shoes, and Mrs. Brockett heard the superintendent refuse to give Mrs. Vaughn an order for shoes for the children, who are absolutely barefooted. The marshal and the superintendent tell these people they can not get out until they have worked at least 30 days, it taking that much time to pay for their transportation. These families are all afraid to leave or try to, believing that if they are caught they will be placed in the guardhouse and compelled to work.

On December 29 John and Fred Martin, Jesse Draine, and Robert Brockett went for a walk up the side of one of the mountains. They had not gone very far when they were met by a soldier, who ordered them back. Mr. Broc-

kett told him that they were just out for a walk and did not intend leaving the camp. The soldier replied, "Well, by God, you can't go out this way unless you got a pass; God damn you, I am guarding this place and you can't get by," so they returned to the camp. We made up our minds January 8 to leave, but said nothing until we had secured a pass from Lieut. Edwards. When the superintendent and the marshal were told by us that we were going, we were told that we were so damn fresh that they would not issue a pass, but as we already had one we didn't need their pass. The marshal came to the house at 6 o'clock the morning of the 9th, stayed there, and checked up everything to see that we didn't steal the stove or dresser—in fact made himself so much at home about the house that Mrs. Brockett had great difficulty in dressing. Mr. Brockett was injured while at work in the mine one day and was unable to work or did not go to work; the next day the marshal called to find out the reason of his absence, and when told that Mr. Brockett was sick said to him, "You don't look sick, and besides you owe the company quite a bill, and you had better go to the mines, even if you don't do anything but ride the rope," which he did for that day.

There is quite a good deal of shooting done around the mine and in that locality, but am unable to say who the shooting is done by.

When asking for a settlement, I had worked 10 days, making a total of \$30.80, and \$12 for board, which had been taken out of the pay of the four men, making a total of \$42.80. The bill at the store was \$28.80, leaving a balance of \$14 which was due; this \$14, we were told, was deducted for railroad fare.

When we asked the superintendent where the 20 acres of land were that we were told about when we left home, he just laughed at us and said all the land we got we would dig out of the mine. And immediately upon our arrival some of the soldiers came up to the hotel and told all of those who were from Missouri to stand up and be searched, and they even went through some of the suit cases.

We have just been married six months and came out here on the land deal, thinking that we would get a start in life.

Further affiants saith not.

MILDRED BROCKETT.  
ROBERT BROCKETT.

Subscribed and sworn to this 10th day of January, A. D. 1914.

[SEAL.]

FRANCIS M. TIPTON, *Notary Public*

My commission expires 28th day of April, 1917.

---

COPY OF PASS.

DELACUA, COLO., *January 7, 1914.*

Pass R. Brockett, M. Brockett, to Hastings and return on 8th.

LIEUT. EDWARDS.



---

---

# **CENTRALIZATION OF INDUSTRIAL CONTROL AND OPERATION OF PHILANTHROPIC FOUNDATIONS**

---

**(For exhibits under this subject, see pages 7682 to 7759)**



## COMMISSION ON INDUSTRIAL RELATIONS.

NEW YORK CITY, N. Y., *Monday, January 18, 1915—10 a. m.*

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Harriman, Ballard, and Garretson.

Chairman WALSH. I desire to announce that the hours for the hearing will be from 10 o'clock until 12.30, and from 2 until 4.30.

Will you proceed now, Mr. Untermeyer?

### TESTIMONY OF MR. SAMUEL UNTERMEYER.

Chairman WALSH. Your name, please?

Mr. UNTERMEYER. Samuel Untermeyer.

Chairman WALSH. And your profession?

Mr. UNTERMEYER. Lawyer.

Chairman WALSH. How long have you lived in New York?

Mr. UNTERMEYER. About 45 years.

Chairman WALSH. You have been a practicing lawyer in New York for how long?

Mr. UNTERMEYER. About 35 years.

Chairman WALSH. You have given attention to civic and social matters, I believe, also, and have done work along those lines?

Mr. UNTERMEYER. To some extent.

Chairman WALSH. I will ask you to state in your own way, please, Mr. Untermeyer, the extent, if any, to which potential control over labor conditions is in the hands of financial directors of large corporations in New York and elsewhere.

Mr. UNTERMEYER. Mr. Chairman, before undertaking to answer questions of which a summary has been sent me, I would like to make my position upon these economic questions a little plain.

Chairman WALSH. Very good.

Mr. UNTERMEYER. So that my answers to these specific questions may not be misunderstood. If you have no objection I will read a statement that I have dictated.

Chairman WALSH. Very good; please do so.

Mr. UNTERMEYER (reading): Notwithstanding its injustice and many other shortcomings, I believe in the capitalistic system as our only present solution. Socialism is a beautiful, iridescent dream. It is useful mainly as a protest against the cruel inequalities of existing social conditions. Civilization owes to socialism a great debt of gratitude for its idealism and self-sacrifice and for its restraint upon the grosser excesses of capitalism. But it does not work out as a practical, constructive policy of government.

Socialism, communism, syndicalism, and like theories of government are thriving mainly upon the abuses of capitalism—its stupid lack of imagination and of enlightened selfishness. Capitalism is more powerful, more rampant, more despotic, and less controlled by law or public sentiment with us than in any other country. It lacks the most elemental sense of justice and fights every inch of the way regardless of the merits of the controversy. Of all its blunders its blindness to and disregard of the welfare of the industrial workers who are its chief asset is the most flagrant, short-sighted, and unpardonable.

Socialism seizes upon those abuses and defects and fills its ranks by championing policies that are not legitimately a part of its tenets and that are logically a part of the capitalistic system, properly administered. If capital were less obsessed with its own righteousness and sense of security the growth



of socialism would soon come to an end. Its only real friends are its critics. Those who sit idly by in smug contentment are its worst enemies.

Although a believer in the abstract principles of States' rights, I feel driven by the logic of events to being a nationalist in politics. Our doctrine of States' rights was evolved at a time when Buffalo was farther from New York City than San Francisco is now. State lines mean little nowadays except the opportunity to obstruct reform and to foster abuses.

We need comprehensive corporate, social, and industrial reform in order to mitigate the most cruel of the wrongs that lie at the bottom of the unrest evidenced by socialism and by the more violently lawless forms of protest.

There is every reason for impatience with existing conditions. We are at least a generation behind European nations in everything that pertains to these subjects. We do less for the masses than any of the other civilized countries. Our form of Government is largely at fault. The limitations of our Constitution stand in the way. There is the constant conflict between Federal and States' rights in the regulation of corporations and in carrying out legislation for the betterment of the industrial workers. Uniformity is impossible under separate State laws. Each State jealously watches the others to see to it that capital is not attracted elsewhere by necessary restrictive regulation. Without uniformity to take care of the elements of competition we can make no progress with industrial reform. The world has never known or dreamed of anything to compare with our stupendous corporate entities. They are fabulous in their size and concentration of money and power. They have grown up almost overnight and they are an ominous threat to our institutions, unless justly and rigidly controlled. There is a lot of loose and irresponsible talk about our having too much law and too much corporate regulation of business. The fact is that we are suffering from the absence of regulative law over these vast aggregations and that such law as we have is too deeply impressed with and too highly colored by the influence of capital upon our legislative bodies.

We rarely get effective laws to deal with corporations. They are usually the result of unsatisfactory compromises that reflect struggle between the people and the power of a handful of selfish men. This is especially true in State legislation, where the power of those men, trading upon the competition between the States in laxity of administration, is one of our chief troubles in dealing with corporations. The result has been that the conservative States that wanted to preserve corporate responsibility have been compelled to abandon their standards and to follow the policies of their less responsible sisters in order to save themselves from having their corporations taken from them. The tendency of State laws regulating corporations has been steadily away from the lines of adequate responsibility.

The manner of the organization of the Rockefeller, Carnegie, Sage, and other similar foundations is a fair illustration of the vice of the system. These foundations make no pretence of being limited in their activities by State lines. They are not only national but international in their scope of beneficence. The Rockefeller Foundation sought a Federal charter, but was not satisfied with the terms on which it was offered by Congress. It wanted our fundamental laws against perpetuities ignored and repealed so far as concerned its powers and limitations. It promptly secured from the New York State legislature what Congress refused to grant. The Sage and Carnegie Foundations did the same. If New York had not given them what they wanted they would have passed along from State to State until they found a corporate habitation on their own terms, without in the least interfering with their operating wherever they chose. This ought not to be possible.

I do not share the fear and distrust of these foundations. I believe them to be prompted by the highest ideals of patriotism and unselfish public spirit. They are magnificently managed by the best intellect of the country—far better than would be possible with any public institution. The genius and resourcefulness to which their founders owed their material success have been unselfishly expended by these men upon these foundations, which are to be monuments to future generations of their usefulness to society. They are doing incalculable public good and no harm. Happily, their conduct does not to any appreciable extent reflect the devious methods by which those fortunes were accumulated, nor the views or policies of their founders on economic questions.

In every case in which the hope or expectation of future endowments may possibly be influencing the policies of the institution the effect will be at most temporary. It will pass away with the life of the founder if there is any such present restraint. I can see great benefits and no appreciable danger from the

existence of these foundations, except from the forms of their organization, which should be altered as I suggest in the following particulars:

First. They should be organized under a uniform Federal law instead of under special State charters.

Second. They should not be given a perpetual charter. One generation has no right to bind another. We may have an entirely different social structure and different conceptions of education in 50 years to which these institutions may be most repugnant.

Third. There should be a limit to their size.

Fourth. They should not be permitted to accumulate income.

Fifth. There should be governmental representation when the time comes for replacing the present trustees.

We can never have effective corporate reform until we get a National corporation law applicable to corporations engaged in interstate commerce for the reasons above stated and because the corporations are too strong for the States and especially here in the East.

New York's new State banking law is a striking illustration of that fact. Instances could be multiplied indefinitely. We can never decentralize the growing concentration of the control of money without such a law. A complete change in our methods of governing corporations is required so that their control can be taken from the handful of men who dominate the corporations in which they have no substantial interest and be given back to those who own them. This can be accomplished through a national corporation law as affecting interstate corporations which will provide certain conditions.

I believe you want to take that question up a little later?

Chairman WALSH. Yes. Now, my question was, before you started to read your statement, Mr. Untermeyer, the extent to which the potential control over labor conditions, if any, in the hands of directors of large corporations exists?

Mr. UNTERMEYER. Well, the potential control, of course, is there. To what extent they exercise that control in the government of labor problems is another question. My own opinion is that they exercise it only on broad questions of policy, but the potential control is there in very much greater degree, I think, than generally realized. Take the railroad situation by way of illustration. I see I must have back from the stenographer the notes I gave him.

Chairman WALSH. Yes, sir. The sergeant at arms will procure them.

Mr. UNTERMEYER. Now, take, for instance, the railroad situation. That is concentrated very largely in the hands of a very few men in New York, and this concentration has been brought about mainly by defective laws for the reorganization of railroad corporations. I have a list here of the railroads that have come under the hands of one or two banking interests as the result of reorganization of insolvent roads, and it includes over 100,000 miles of the railroad system of the country, and we have now under reorganization another possible 60,000 miles of road that is likely to—not likely to, but more than likely to—come under the same control. Now let me illustrate.

Chairman WALSH. I wish that you would and kindly read that into the record, please.

Mr. UNTERMEYER. Yes. I think I will have to ask you to get that memorandum back to me that I gave you [addressing the reporter].

Chairman WALSH. Just a moment. The sergeant at arms will get it for you.

Mr. UNTERMEYER. The system of railroad reorganization is responsible for a great deal of this concentration of the control of the railroads in the hands of the financiers. If we had laws such as they have in England and Germany regulating the reorganization of railroads and had minority representation in corporations, the proper method of voting, by which the real owners would participate in the management of that corporation, there would not be this concentration. You take, for instance, the present system—a railroad gets into difficulties; is about to become insolvent. Of course, the insiders know it when nobody else does. According to our present procedure they begin the judicial proceedings, and they get their own receivers, generally a man under whom the road has gotten into its difficulties. Immediately on the appointment of that receiver some banking house, by prearrangement, brings out a committee of reorganization—very respectable gentlemen—always respectable gentlemen—and that committee calls for the deposit of securities. Well, the shareholders must either subscribe to the kind of plan of reorganization laid down by the bankers or they have no hope whatever. They can not reorganize; they are scattered; it always requires a large amount of money; and the result is that when the road is reorganized it is reorganized by one or two banking houses, as

a rule, and they put in their directors, frequently put in voting trustees, and from that time on the potential control of that road is in this reorganized board of directors named by them. They are not named by the shareholders at all. The shareholders can not get together. They—the reorganizers—assume the responsibility for the property; they supply it with its money needs; they buy its securities; and they designate, as a rule, its executive officers, and in a way hold themselves out as responsible for the management of the property, and they control the property—for all practical purposes they control it. These great corporations are not controlled by the vote of their shareholders. A very small proportion of the stock in the hands of a powerful banking house controls any corporation. The stock is largely scattered; that is the essential difficulty.

I want to get that list so as to give you an idea of the roads in the great systems in this country that have come under that sort of control as the result of this form of reorganizing insolvent properties.

Chairman WALSH. Well, the sergeant at arms will return in a moment.

Mr. UNTERMYER. Well, there are certainly a hundred thousand or more miles of road and about 60,000 miles of road now in receiverships or impending receiverships.

Chairman WALSH. What is the gross mileage, Mr. Ballard asks?

Mr. UNTERMYER. In the United States?

Chairman WALSH. Yes.

Mr. UNTERMYER. I don't know. I think it is something like 250,000 miles; I am not sure. I may be wrong about that.

Chairman WALSH. I am told that the sergeant at arms had to go over to the Tribune Building, where the stenographers had their office, and so we will be delayed a moment.

Mr. UNTERMYER. Perhaps we can get along without it.

Chairman WALSH. Perhaps we had better wait a few moments until we get that.

Mr. UNTERMYER. I find I have a list of those roads here. Here are some of the roads of the great systems that have gone through reorganization: The Baltimore & Ohio was reorganized through J. P. Morgan & Co. and Kuhn, Loeb & Co., and Mr. Castro, of Morgan & Co., became a voting trustee upon the board. That is, generally there are three trustees, who hold stock for a given number of years, and they vote it, but after the voting trust expires control of the road continues pretty much the same. I do not think of any instance in this country in which the stockholders have ever really changed the management of any great corporation unless there has been a fight between two great interests; but as between the body of the stockholders on the one side and some great interests on the other, I do not recall any instance in the country in which a change of management has been effected by the action of the stockholders.

The Chesapeake & Ohio was reorganized by Morgan & Co. as reorganization managers. The Cincinnati, Hamilton & Dayton was reorganized by Morgan & Co. as reorganization managers, the late Mr. Morgan becoming a voting trustee. That is again in process of reorganization now—under reorganization. You may remember it was sold to the Erie, and then had to be taken back, and then it has been since dumped on the Baltimore & Ohio, where it now rests, and is in receivership.

The Chicago Great Western, which was reorganized by Morgan & Co. as reorganization managers, Mr. Morgan and his associate, Mr. George F. Baker, being two of the three trustees. I think that is still in the voting trust.

The Erie, which was reorganized by J. P. Morgan & Co. as reorganization managers; Mr. Morgan became a voting trustee.

The Northern Pacific was reorganized by J. P. Morgan as reorganization manager, Mr. Morgan becoming a voting trustee.

The Pere Marquette, reorganized by Morgan & Co., and, I think, now again undergoing reorganization, if I am not mistaken.

The Southern Railway, reorganized by J. P. Morgan & Co. as reorganization managers, and Mr. Morgan and Mr. Baker becoming voting trustees.

The Reading, reorganized by Morgan & Co. as reorganization managers. Mr. Morgan became one of the voting trustees.

The Union Pacific, reorganized by Kuhn, Loeb & Co., together with the Southern Pacific and Central Pacific, then under the same organization.

And among other systems now undergoing reorganization or financial readjustment may be mentioned the Wabash, the Rock Island, the Missouri Pacific, the Wheeling & Lake Erie, the Cincinnati, Hamilton & Dayton, the Pere Mar-

quette, and perhaps half a dozen other roads, probably aggregating fifty or sixty thousand miles, which are practically certain to come under the same general control.

So you will see as a result—I think largely as the result of this archaic system of ours, as soon as a railroad gets into trouble it is liable to add to the concentration of the control of railroad properties of the country by all coming into the hands of one or two interests, and these people, having the responsibility for the property, they designate the presidents and designate largely the board of directors, and those boards do not change materially, except through death, and then their substitutes are designated. So we have a most stupendous concentration of control, for instance, in the railway properties of the country.

Now, to my mind, when a great question of policy in dealing with labor arises it is a very easy matter to decide it, so far as one side of the controversy is concerned, because it can be decided almost from one office. That is the potential control that the great financial interests possess over railroad property.

Chairman WALSH. Now, do you know of any instances, Mr. Untermeyer, that have either come under your own observation or which you heard from any quarter, of the exercise of this control?

Mr. UNTERMEYER. Well, I think it would be rather loose to discuss what one hears in the way of rumor. Personally I know of no instance of the exercise of the control that has come under my personal observation. Of course I have heard of a great many instances; but I would rather not discuss those, because hearsay is very unreliable.

Chairman WALSH. Unless you have some personal objection to it, we would like it because, you understand, this is an investigating body, and sometimes a suggestion is made through hearsay testimony out of which may be developed the actual facts.

Mr. UNTERMEYER. I think one of those instances was very fully exploited before the Stanley committee, was it not, in the steel investigation, in which there was the question that the labor and orders came from abroad. I believe the documents were put in the record in the Stanley investigation. I would rather not indulge in the loose method of trying to recapitulate what was in the record.

Chairman WALSH. I see. That was gone into before the Stanley committee?

Mr. UNTERMEYER. Yes; that is my recollection of it.

Chairman WALSH. Do you think that these financial directors, selected as you have indicated, have a sufficient knowledge of industrial conditions and what we might call social philosophy to qualify them to direct policies involving such a large number of people?

Mr. UNTERMEYER. I would not like to pass on the knowledge of social philosophy that these gentlemen possess. Everybody has his own conception of social philosophy. I may say generally that I think that the financial people in New York who serve on these boards have less knowledge of the real sentiment of the country than the man from Oshkosh. I do not think they know very much about the real sentiment of this country. I believe we are the most provincial part of the country right here.

Chairman WALSH. I think you stated that you had not observed any of the devious methods, I believe you call it, which were used in acquiring these large functions being exercised in the conduct of the foundations.

Mr. UNTERMEYER. Well, I said that from the little I had been able to observe I did not think that the foundations—I did think that the foundations were well managed in an enlightened way.

Chairman WALSH. Would you care to give your opinion as to the effect on the general social conditions in America of the development of enormous fortunes, as the result of methods such as you have mentioned, which have been practiced during the last 80 or 40 years?

Mr. UNTERMEYER. The result of what, Mr. Chairman?

Chairman WALSH. The result of general social conditions in America.

Mr. UNTERMEYER. Well, I suppose everybody will agree that it has been demoralizing.

Chairman WALSH. Do you consider—pardon me, were you going to say something?

Mr. UNTERMEYER. I was going to say I do not think there would be much of these things going on—that the methods that were adopted in acquiring these vast fortunes could never be repeated in this country or in any other. I believe everybody concedes that there has been great improvement of late years in the methods.

Chairman WALSH. Do you consider that the creation of very large fortunes as a result of such methods in American industries is in any considerable degree a cause of poverty?

Mr. U'INTERMYER. Well, that is a very profound sociological problem.

Chairman WALSH. Yes; that is one reason why we are asking the question.

Mr. U'INTERMYER. That is a very profound sociological and economic problem, and would probably take a long while to develop in a discussion, would it not, Mr. Chairman? Undoubtedly the diversion of moneys from their legitimate channels and the accumulation of those moneys in illicit ways does affect the question of poverty and does increase poverty. If, by way of illustration, you can take a property that is worth a million dollars and by manipulation and inflation of capital put it upon the market for \$10,000,000, and through artificial means scatter those securities out among the people on the basis of \$10,000,000 or \$20,000,000, the natural temptation is to try to pay dividends on those \$20,000,000 or \$10,000,000. Well, the efforts to pay dividends on an inflated capital always lead, in the first instance, to an attempt to secure a monopoly of the industry so as to get the profit by artificial means; if you can not get it by securing a monopoly of the industry, then the next effort is to get it by reducing the expenses, and the laborer is the first man whom you come across when you consider the question of reducing operating expenses, so that the attempt to make returns on inflated capital always reacts upon the industry.

Chairman WALSH. You have stated that there has been a marked improvement in the method of the operators of these concerns within the past few years. I will ask you what your observation has been as to how that came about—by the voluntary acts of the individuals concerned in those operations, by growing governmental supervision, or by public criticism.

Mr. U'INTERMYER. I think it has been due partly to public exposure of the so-called muckrakers, in public investigations, and partly to the tendency to further Government control. Of course the Government control over the railroads has done away with a great deal of the dishonesty in railroad management. It has not done away with all of it, because Government control is not yet effective; there is a great deal to be done to complete the effectiveness of railroad control. But wherever there has been Government control, such as the growing Government control over banks and financial institutions, a more frequent and thorough examination of financial institutions like life insurance companies has certainly created a revolution in the standard of official management; and I think we have a code of ethics to-day in financial institutions that is vastly better than we had a few years ago, but I think it is still capable of great improvement, and I am hoping that with that increasing control we shall have better standards of corporate management. I think the time will come when it will be considered dishonest, and punished as dishonesty, for the men who are in control of these great corporations to exploit them for their own purposes, and to gamble on inside information—to rig the stock market—but we have not reached that stage of it.

Chairman WALSH. Have you observed whether or not this general improvement would extend to the betterment of the condition of the employees in the industry involved?

Mr. U'INTERMYER. I think the indications are very apparent; that there are efforts being made in the industries to assist the general condition of the workers; in some instances to give them something that looks like participation. Of course I do not think that they are effective at all. I think we have got to have a system of social reform in the way of unemployment insurance—insurance against sickness and invalidity.

Chairman WALSH. Before we get to that I am trying to attract your attention to the specific matter, if possible, of the improvement of the condition of the workers, so far as their wages and hours, we will say, are concerned; have you observed that detail?

Mr. U'INTERMYER. I am not sufficiently familiar with that situation to discuss it.

Chairman WALSH. Have you observed the effect upon the workers in industries, as an example, of the concentration of manufacturing industries into large corporations?

Mr. U'INTERMYER. I think it is distinctively harmful. I have had some occasion to observe that. The concentration of the control of an industry in a few hands destroys the liberty of the worker and destroys the power of his union and puts it in the hands of the managers of that industry to say whether it shall be a union concern or not, whether it shall be organized or unorganized labor, and I am a great believer in organized labor and the extension of that principle.

Chairman WALSH. Why?

Mr. UNTERMYER. For the purpose of giving them a chance against organized capital. The struggle is hard enough when they are both organized. Capital can wait and still live, but labor has got to make a living or starve. The conditions, under the most advantageous conditions, are grossly unequal, but when you get a great aggregation of capital in any industry, with all of the power behind it on the one side and the labor organization on the other, the labor organization is helpless. Nothing more short-sighted was ever done or suggested than that done by labor when it encouraged the organization of the trusts. I remember the time when they rather encouraged it, and thought it would be easy to control the situation; but anybody who looked a little ahead could see that was the most suicidal thing labor ever did, when it allowed all of the manufacturers or industries in a given field to come together in one vast aggregation and give them that power to fight labor.

Chairman WALSH. It was stated by a very large employer of labor before this commission that the employment of a man or nonemployment of him was a great deal like the purchase of a commodity in a store. You call at the store, and if you do not like the price or the conditions under which the sale is made you can retire and not deal with that concern. Likewise a man looking for employment can call on an employer, and if he is not satisfied with the conditions and the hours of labor, and so forth, he can likewise retire; and this gentleman made that parallel as the basis of his very decided opposition to dealing with organized labor as such. What do you say about that?

Mr. UNTERMYER. I have always looked upon the refusal to deal with organized labor as a very despotic attitude, especially on the part of corporations, because a corporation is an aggregation of organized capital. I can not see why organized capital should refuse to deal with organized labor. It has got the best of it by far anyway. That illustration is very familiar, Mr. Chairman, and it does not deceive anybody in these days. It sounds likely enough, but it does not work out. The laborer who does not like his employer's terms, if the employer happens to have a monopoly of that particular industry, and that is the only industry the laborer knows, may have a hard time getting a job anywhere else, because there is no work elsewhere to do. He has no option whatever and that is not a fair argument.

Chairman WALSH. Does or does not a large corporation possess inherent possibilities for maintaining more proper labor conditions than smaller corporations?

Mr. UNTERMYER. That depends upon the corporation management that dominates. I imagine that if it looked far enough into the future it would see reasons for better treatment of its labor, for looking after the physical needs of its employees, and getting the best labor by treating all labor best.

Chairman WALSH. Can you cite any instances in which large corporations have voluntarily assumed a progressive attitude with regard to labor conditions in advance of public criticism or demands from their employees?

Mr. UNTERMYER. Well, I should say that in some of these insurance schemes and in some of the plans that have been put out for cooperation and interesting the employees in the business, and giving them an opportunity to buy securities from time to time there are evidences of a disposition of that kind. I think they are scattering, but there are such evidences. I believe some of these plans were formulated with the very best of intentions and some of them are very good.

Chairman WALSH. From your experience and knowledge have the corporations generally been favorable to the representatives of employees in the determination of labor questions either through trade unions or otherwise?

Mr. UNTERMYER. No; I think they have shortsightedly fought the movement all the way, and they have had so much power that our labor unions have not anywhere near the strength of the unions on the other side. They have neither the political power nor power of dealing with their employees that they have over there. The Government is constantly helping them over there and coming to the aid of the labor unions.

Take in Germany. The whole trend of the German Government has been to recognize and favor the labor unions. I have in mind by way of illustration the bill passed at the time of the organization of the Potash Trust; you may remember the Potash Cartel, as they call it. That is an operation of the mine owners who own the potash mines, of which Germany has the monopoly of the world, there being two or three of these mines owned by the Government. They wanted to get together in a pool so as to restrict production and keep up

the price. Those pools are allowed in Germany under Government supervision, but when it came to the form of the act that the Reichstag should pass the Socialist Party had a great deal to say about it so far as it concerned labor. Now, in the determination of the output of these mines that constituted the pool each mine had its proportion of the output; it had to turn out a certain percentage of the output. When the bill came to be passed provisions were put in it to the effect, first, that any party to the pool that reduced the number of laborers should have its proportion of the pool reduced. Any party that increased the hours of labor or decreased the wages of labor should have its proportion of the pool reduced; and there were a number of provisions scattered all through that bill showing that labor had been considered at every stage of the preparation of the bill, and that the proportions that these men in the pool were to get would depend upon the liberality with which labor was treated. That was all the result of the Socialist Party representing the labor unions.

Chairman WALSH. And the Government, you say, worked that out?

Mr. UNTERMYER. Yes; the Government worked that out with the aid of the Socialist Party.

Chairman WALSH. What plan would you consider desirable and possible, so far as the Government was concerned, in this country, in taking action of that sort?

Mr. UNTERMYER. You mean in the way of assisting the labor unions?

Chairman WALSH. Yes, sir.

Mr. UNTERMYER. We have not the same freedom of action they have in other countries, because we have a Constitution, and our written Constitution stands in the way of a great many of these reforms.

Chairman WALSH. Have you given any thought as to any agency that might be created under our existing law that would further protect workers in their rights along the line perhaps suggested by you in this law relating to the potash industries?

Mr. UNTERMYER. Only when the corporations come to a legislative body for aid; then, of course, the legislature or Congress can impose such conditions as it sees fit; but we are not under corporate regulations to the same extent.

Chairman WALSH. Could it be done by a tariff law under existing constitutional provisions?

Mr. UNTERMYER. I should say not.

Chairman WALSH. Why not?

Mr. UNTERMYER. I don't think you could make a protective-tariff condition in regard to labor; I do not think you could discriminate in that way.

Chairman WALSH. With what provision of the Constitution do you think such a law would be in conflict?

Mr. UNTERMYER. I have not considered it very fully; in fact, the thought is a new one suggested by your question, but you must be very careful that the laws are not unequal in their operation.

Chairman WALSH. Does not the imposition of tariff duties on the product of a certain industry in that general way discriminate as to all industries?

Mr. UNTERMYER. We have a special provision of the Constitution allowing Congress to levy customs.

Chairman WALSH. Do you think it is too contracted in its terms, if you recall its provisions after this time, to admit of any efforts on the part of the Government to see that any increase in the price of any product made possible by the imposition of the duty should go to the employee engaged in the industry?

Mr. UNTERMYER. I would not like to answer that question at this time, as it would require a good deal more consideration than I have been able to give it. I have never thought it possible, but it may be possible, to construct a tariff bill through a tariff commission that will take into account the conditions of labor.

Chairman WALSH. You have observed the growth and development in this country of administrative boards dealing with what are called strictly public utilities, of course?

Mr. UNTERMYER. Yes.

Chairman WALSH. And that it seems to be a modern development of the old legal right of control of such corporation in its nature a monopoly?

Mr. UNTERMYER. Yes; and it is necessarily incident to our growing complexity of economic relations.

Chairman WALSH. Have you ever thought of the proposition that inasmuch as the basis for rates controlled by these public bodies are, of course—that

perhaps they could, under the present Constitution, enforce a minimum wage for the laborers in particular industries, in making rates?

Mr. UNTERMYER. I believe a minimum wage is constitutionally possible in interstate corporations as a condition to the rate-making power.

Chairman WALSH. That would apply to all public utilities of an interstate character from a Federal standpoint and to intrastate industries or at least where they exist—where they have such boards?

Mr. UNTERMYER. Yes; I do not see why a minimum wage can not be enforced as an incident of the rate-making power.

Chairman WALSH. For instance, a public utility board could declare a minimum wage in a State for, we will say, girls employed as telephone operators, in making up the rates.

Mr. UNTERMYER. I should say that would not offend against any provision of the Constitution where they come under public regulation; as exercising a public franchise, they could impose the condition in prescribing the rate.

Chairman WALSH. And likewise something could be done in fixing the minimum wage for unskilled and unorganized laborers in the railroad lines?

Mr. UNTERMYER. Yes; the same principle, I should say, would apply there. A very different question arises when you come to consider interstate corporations that do not enjoy a public franchise.

Chairman WALSH. What sort of corporations, for instance?

Mr. UNTERMYER. Any manufacturing corporation.

Chairman WALSH. Any corporation—you would draw a distinction between a corporation that has a charter under a general statute applying to mercantile and manufacturing organizations and those that have to do with furnishing commodities for public use?

Mr. UNTERMYER. I drew a very marked distinction between private corporations and public utility corporations.

Chairman WALSH. Or quasi public?

Mr. UNTERMYER. Those that exercise public franchises come under different regulations than those that do not. It is not the policy of the Government to interfere too much with private business.

Chairman WALSH. Outside of the question of policy, I was, of course, asking, for the time being, your offhand opinion as to the power of the Government.

Mr. UNTERMYER. These offhand curbstone opinions are not of much value.

Chairman WALSH. No; but sometimes they are instructive.

Mr. UNTERMYER. You get committed sometimes to a point of view and find you are wrong.

Chairman WALSH. I am going to ask you if you will please, Mr. Untermyer, construct certain constructive measures for the improvement of industrial conditions and for dealing with the evils of industrial wealth, inefficiency, poverty, and the like, that you have thought of perhaps in a general way in connection with the request made of you by Mr. Manly?

Mr. UNTERMYER. As I look upon the government of corporations, the manner in which they are controlled has a very vital effect upon labor conditions, especially with respect to the great corporations of the country. I look upon the concentration of the control of these corporations in a center like New York as a thing to be avoided if possible and a thing to be done away with for the good of every industry concerned. Take up, first, the question of corporate control. The fact is that the great corporations with widely scattered holdings are controlled by a very small proportion of the stockholders.

Chairman WALSH. We have testimony in the case of one corporation, for instance, that I think has a capital stock of \$90,000,000 or \$100,000,000 and a bonded indebtedness of practically \$40,000,000, engaged in very large operations of production, that has 2,000 stockholders. Now, I would like you to state to the commission, from your experience and observation, what amount of stock would constitute an absolute control of such a corporation?

Mr. UNTERMYER. May I ask a few questions in that connection?

Chairman WALSH. Yes, sir.

Mr. UNTERMYER. Is it a stock listed on the stock exchange?

Chairman WALSH. It is the Colorado Fuel & Iron Co.

Mr. UNTERMYER. It is listed on the stock exchange, and it is controlled by a great financial interest. Those are two very important factors in answering the question as to how much it takes to control.

Chairman WALSH. It has been stated that this large financial interest does not control because it owns only 40 per cent of the stock of that corporation.



Mr. UNTERMYER. That seems to me preposterous; in fact, I know it is. Here is the situation with respect to corporations of that character: In the first place I should say that 10 per cent would control that corporation, or less. Ten per cent of the stock, with the rest of it scattered among 2,000 stockholders, and the securities listed on the stock exchange, and the control held in strong financial hands, and for this reason. As to the stock that is on the exchange, that stock is being dealt in and speculated in, that is in the hands of brokers. The stock that is in the hands of brokers is always at the beck and call of any financial interest that is in control of the property. All they do is to send around and get the proxies from the brokers. So, when the stock is in the street, the big financial interest that is in control has a tremendous nucleus to start with. That nucleus comes from the blocks of stock held in the names of brokers who are carrying it for their customers. That always goes to that interest, because their interests are identical.

Now, the next point is stock that is in the hands of banks and bankers owned by them as large holders, that goes to them by proxies. In either case the stockholders are absolutely helpless in those corporations. This method of proxy voting is the greatest farce ever devised; it leaves the control in the hands of whoever has it, as a rule, and I should say in the case of the Colorado Fuel & Iron Co. that the stock scattered in that way, unless it appeared to the stockholders that somebody had made away with all of the assets, that you would not get a change of control under any circumstances if the people in control held but 5 or 10 per cent. Nearly every railroad corporation in this country is controlled with less than 10 per cent of the stock in the hands of all of the officers and the board of directors put together, and without knowing the exact figures in a case like that of the steel company I would undertake to say that the whole board of directors and all of the officers together do not own 5 per cent of the stock, and yet they control it as absolutely as if they owned the whole thing and maintained the control, and it has never been possible to take it away. This is due to our defective corporate system. Stockholders do not get a "look in"—the scattered stockholders—as a result of the system. What is the system? The management send out proxies every year, and the proxy is a power of attorney to some one they name. If you are a stockholder, you do not know to whom you are giving your proxy. It does not usually run to the man in control, but to some one nominated by him. You do not know for whom he is going to vote as a director. You send a power of attorney for him to vote for whoever he pleases.

These stockholders are scattered all over the country; they can not come to the meetings and vote in person, and the only plan devised by the law is to vote by proxy. I have suggested the following change in the method of voting stock: In the first place, the stockholder should be allowed to vote in person or by mail. We brought that about to some extent in the case of the insurance companies as a result of the investigation in 1906. The management should be required at least 90 days before a meeting to send out the names of its candidates for whom the stockholders should have the right to designate the candidate, which the management should also send out and then the stockholder gets a chance to vote for someone. That is the first change that ought to be made in the system of voting.

The second change, and still more important, should be one that would allow minority representation in corporations. We all know now that the majority of corporations, that the majority of the stock elects all the directors. The minority has no representation whatever. That discourages stockholders, so that they do not take any part in elections. They know that they can not get together to such an extent as to control the corporation as against any big financial interest that has it. As long as they can not control it they do not attempt to do anything.

Now, if you would encourage stockholders so that they could get a minority representation, they would take part in the management of their company. Now, for instance, suppose there are nine directors to be elected. Under this system of cumulative voting the minority representation—one-ninth of the stock—would elect one director, each one-ninth of that stock would elect one of the nine directors, so that the stockholders could get together and get representation in their corporation. If they had such a representation you might get local interest represented on the board of a corporation instead of absentee landlordism, which exists in all these great corporations, they being owned from the center down here. So, to my mind, one of the important features, one of the important reforms necessary in order to get a proper administration of these

corporations that would redound to the interest of labor as well as of capital, would be to do away with proxy voting, have voting by mail, and give minority representation.

Chairman WALSH. Before we get too far away from the subject—you stated a while ago one banking company could practically decide labor—had the potential power to decide labor conditions for the railroads; which banking company?

Mr. UNTERMYER. Well, I think that is quite apparent. I would rather not mention any names.

Chairman WALSH. Very good.

Commissioner Lennon asks me to inquire—

Mr. UNTERMYER (interrupting). I have your list showing the method by which these corporations have been reorganized and the banking house that has had most to do with that reorganization.

Chairman WALSH. And that would be the one?

Mr. UNTERMYER. That one would have potential control. Now, I do not mean to say it is always exercising it.

Chairman WALSH. Certainly not.

Mr. UNTERMYER. I do not mean to infer that the presidents of these roads who are named largely by the banking houses, have not a great deal to say about it.

Here is an illustration, a very familiar illustration. Take the case of the New Haven road. Well, the house that dominated it just as they have all the property, had less than one-tenth of 1 per cent of the stock when it got into trouble. That house had named the president under whom this vast amount of money was squandered and who had tried to create a monopoly in New England transportation, and when the president, who was acting under direction in gathering all this property together, when a row came along "they put him out"—the people who were responsible for his policies—and they put the other man in, the stockholders did not squeak. You have not heard any word from those 25,000 stockholders. The power of these people is just as great as it ever was in the management of that property.

Chairman WALSH. You mentioned absentee landlordism in industry as an undesirable situation. I wish you could briefly state what you deem to be the evils of absentee landlordism in industry.

Mr. UNTERMYER. Absentee landlordism, of course, we understand is the concentration of these great industries. Take a familiar instance of the steel company. Before those different plants were consolidated every locality had its plant, had its local management. After the consolidation with a view of economy the managements were consolidated, taken away from their localities, and the finances were conducted from New York, or some other great center. And you do not have, of course—the owners of the property were no longer in touch with their employees except through subordinates. But it is very difficult with our growing size of the corporation to avoid a certain amount of absentee landlordism. I think it has been carried to the verge of extremity.

Chairman WALSH. You think we have carried it, you say, to the verge of extremity?

Mr. UNTERMYER. Yes.

Chairman WALSH. Well, assuming, then, or admitting that, would the present concentration of our industries—admitting that absentee landlordism must exist, what would you say as to the duty of the director who was absent from the place, as to seeing that these policies which affect the men and women in the industry, or perhaps the passage or the administration of laws affecting those industries in the State, or violation of the law, if you will, would there be any new duty put upon a nonresident director in this newer development of great concentration?

Mr. UNTERMYER. This concentration of industries certainly emphasizes the need of comprehensive general laws to protect the welfare of the worker.

Chairman WALSH. Suppose, after a law was passed designed to protect the welfare of the workers, and a director, although a nonresident director, had his attention called to the alleged fact that the law was being violated by his company, what would his duty be under the circumstances?

Mr. UNTERMYER. Well, of course, that would depend upon the law. I should think the law would make it his duty when the knowledge came to him to enter his protest against the violation of the law and see to its enforcement. Of course, that is all a question of—the question of the director's responsibility

is a question of law under which the corporation is organized, but our States have been, as I have said, competing with one another in lax administration, that directors would be held to in their well-defined responsibility.

Chairman WALSH. You mean by the law?

Mr. UNTERMYER. By the law.

Chairman WALSH. What would be the moral responsibility in this new development of a director toward the situation of that kind?

Mr. UNTERMYER. I don't feel capable to pass on questions of moral responsibility.

Chairman WALSH. What is the practice of the directors under those circumstances in these industries that are controlled by absent ownership?

Mr. UNTERMYER. Oh, in the great industries where the boards are in New York I do not think they know much about the details of the business. It is very rare that they know anything about them. The directors are largely figureheads. The management controls the corporation, and the management in turn is, as a rule, dominated by some great financial interest. I am speaking of these concentrated combined industries only.

Chairman WALSH. What you might call the basic industries? Take the large coal companies.

Mr. UNTERMYER. They are not confined to the basic industries. There are a great many others that are under like control. There is quite—of course, you will find all that data in the report of the House Committee on Banking and Currency in the investigation of the so-called Money Trust.

Chairman WALSH. In your opinion, does the existing organization of industries and the existing Federal and State machinery seem adequate to accomplish the results which we ought to have?

Mr. UNTERMYER. You mean for the protection of labor?

Chairman WALSH. For the protection of labor and of course with justice toward the employer.

Mr. UNTERMYER. No; it seems to me we are doing very little for labor. We are doing very little for the industrial worker, nothing as compared to what the European countries are doing.

Chairman WALSH. Do you consider that the workmen employed by these large corporations are in a position to secure just and equitable treatment by trade-union organization alone?

Mr. UNTERMYER. No; I think it would go pretty far if it could be extended. But the trades-union combination alone will not do it in these days. You have got to have governmental aid, and you have got to have compulsory aid from the employer.

Chairman WALSH. Compulsory aid from the employer?

Mr. UNTERMYER. Yes.

Chairman WALSH. I wish you would state what you mean by that, Mr. Untermeyer.

Mr. UNTERMYER. I mean that I believe in insurance against sickness, insurance against invalidity, against unemployment, maternity benefits, all contributed to under State law by the employer, by the State, by the community, such as they have in other countries.

Chairman WALSH. Before we get into the detail of that, I want to ask you another question on the topic that we were dealing in.

Do you know of any corporation in the basic industries in which the trades-union organization is stronger than it was 10 years ago—any of these large concentrated companies?

Mr. UNTERMYER. I have not any great detailed knowledge on those subjects, but so far as my observation has gone I think they are weaker rather than stronger. They certainly have not gained much financially.

Chairman WALSH. In other words, when the industry was highly concentrated the trade organizations seemed to grow weaker?

Mr. UNTERMYER. Yes.

Chairman WALSH. In your observation?

Mr. UNTERMYER. Yes. It has naturally. The odds are more unequal. When the industry is concentrated and all capital is arrayed against the labor organization, it does not look like a fair deal.

Chairman WALSH. I will ask you, Mr. Untermeyer, what your attitude would be toward a proposition, say, like this:

The institution of a Federal industrial council composed of employers, employees, and representatives of the public for the purposes of mediation and conciliation, such council to have jurisdiction over all disputes involved in

interstate commerce and being primarily required to make rigorous and thorough investigation of the points at issue which should be given the widest publicity; to offer their services as mediators at the beginning of a dispute and act as conciliators through the progress of the dispute and to supply a court of arbitration in case the contending parties desire arbitration.

Mr. UNTERMYER. Yes; I think it is very desirable. Of course, you must leave out the question of compulsory arbitration.

Chairman WALSH. Why would you leave out the question of compulsory arbitration, please?

Mr. UNTERMYER. Well, I do not think compulsory arbitration is a fair thing.

Chairman WALSH. Commissioner Lennon asks me to ask you this question, please:

What power does the concentration in industry of which you have spoken give to expanding or contracting general industry?

Mr. UNTERMYER. You mean in that particular line of industry?

Commissioner LENNON. Yes; generally in that particular line of general industry?

Mr. UNTERMYER. Well, the concentration of an industry, of course, gives the men unlimited power, the extent of it in that particular industry. Now, if you have concentrated any number of industries you get general power to expand or contract. I do not understand that concentration in a particular industry would give a general power of expansion or contraction in other industries.

Commissioner LENNON. What effect does that have upon the general welfare of labor?

Mr. UNTERMYER. Well, I should say that it is very remote except as to that particular industry. Of course, its other effect would not be appreciable to my mind. It certainly would have a marked effect in that industry. Practically controlled labor has power to contract and expand in an industry, controls the labor in that industry.

Chairman WALSH. What has your observation been—now, I do not know but what I got off your line of thought when you started out on your proposed plan of the national social insurance. I wish you would begin where you left off and give us your thoughts upon that subject.

Mr. UNTERMYER. There is nothing very novel about my thoughts on that subject. They are gathered from a study of laws in European countries where they are, as I have said, at least a generation ahead of us in everything that pertains to the welfare of the worker—

Chairman WALSH. I wish you would give the commission the first development in this country under private control of what you might call industrial insurance.

Mr. UNTERMYER. Industrial life insurance?

Chairman WALSH. Industrial life insurance first.

Mr. UNTERMYER. Yes. Well, I think an illustration of it is found in the greatest of the life insurance companies. That company has fourteen millions of policies outstanding in the hands of ten millions or about ten millions of industrial workers. That is, insurance against death.

Commissioner GARRETSON. Is that straight life?

Mr. UNTERMYER. That is largely straight life; yes. It has in its hands by way of reserve liability about \$550,000,000 of assets. At the present rate of increase of its business within five years it will have a thousand million of dollars, and within 10 years it will have two thousand million of dollars of money in securities in its hands at the present rate of increase.

Now, that is a private institution. Until very recently it was a stock company. It has been converted from a stock company now into what is called a mutual life insurance company, which means nothing.

Commissioner WEINSTOCK. Did you give the name of that company?

Mr. UNTERMYER. I did not give the name of it; no.

Commissioner GARRETSON. Can you name the rate per thousand?

Mr. UNTERMYER. Sir?

Commissioner GARRETSON. Can you name the rate per thousand?

Mr. UNTERMYER. Well, it is a varying rate. Now that is in effect, that is a self-perpetuating institution. I mean the policyholders, if you wanted 10,000,000 policyholders to vote, in the first place it would cost the company probably a couple of hundred thousand dollars to get the lists ready. It would take a hundred volumes to contain those names.

In the next place, if you wanted to send out notices, just one notice to those policyholders to vote, it would cost \$300,000 for just the printing of a letter and the stamps, without anything else. In other words, a real election in that company would cost a half a million dollars, and that is prohibitive. You can not have an election. It seems to me there ought to be State representation in an institution of that kind, some sort of State representation to protect and represent the interests of those 10,000,000 of industrial policyholders.

Now, the company is well managed, I believe. It has a tremendous power, though, and the officers, of course, appoint the agents. They have the agency force of about 10,000 men. They control the company, absolutely control it. We have very rigid supervision of insurance companies in this State since the upheaval incident to the insurance exposures, and our superintendent of insurance is very alert, I think, in looking after the character of investments. But still power lodged in the hands of these officers is tremendous, and there is not any check upon it.

Commissioner O'CONNELL. Explain what you mean by mutual—the change of the form of organization to mutual. What is implied by it?

Mr. UNTERMYER. You see it was a stock company. It had been started as a stock company, and it was deemed advisable to retire the stock, to have the company buy it, so that the company bought this stock. It has been canceled. Under our statute it thereupon becomes a mutual company, which means that every policyholder participates in the profits, and every policyholder presumably has a right to vote. Now, of course, you could not give them a right to vote. The company has not got any list of these 10,000,000 policyholders anywhere, and they only have lists of those with over a thousand dollars of insurance.

Chairman WALSH. How many of those are there?

Mr. UNTERMYER. Six hundred thousand.

Chairman WALSH. Six hundred thousand out of the fourteen million?

Mr. UNTERMYER. Out of about 10,000,000 of holders; 14,000,000 of policies in the hands of about 10,000,000 of holders.

Commissioner O'CONNELL. They are simply supposed to have a mutual opportunity in the proposition?

Mr. UNTERMYER. That is all it amounts to, and it does not amount to that. They are not even supposed to, by anybody who knows.

Commissioner O'CONNELL. There is a deception, then, in the transfer of the title, or in the name of the form, to lead the policyholder to believe that he is mutually sharing in the concern?

Mr. UNTERMYER. No; I do not think there is any deception really intended. If a policyholder wants to come there, he can and vote, and I think the law will have to be changed so as to have some sort of a representation to speak for those stockholders.

Chairman WALSH. Commissioner Garretson, would you like to ask a question?

Commissioner GARRETSON. You spoke of the fact that there are 14,000,000 of insurance certificates.

Mr. UNTERMYER. Fourteen million policies.

Commissioner GARRETSON. Fourteen million policies in the hands of 10,000,000 holders?

Mr. UNTERMYER. Yes.

Commissioner GARRETSON. Is there a system of policies of a given amount by which one policyholder holds one, two, or three certificates?

Mr. UNTERMYER. Yes. It frequently happens that he has more than one policy.

Commissioner GARRETSON. What are the policies—a thousand dollars?

Mr. UNTERMYER. No. They are large—there are many very much smaller—\$100 and \$200 each.

Commissioner GARRETSON. That is all.

Chairman WALSH. I believe you stated there were six hundred thousand of a thousand dollars or over.

Mr. UNTERMYER. A thousand dollars and over; yes sir. That is one of the questions that will have to be taken up in connection with this subject of industrial reform.

Chairman WALSH. I will ask you about that now. I believe you suggested a plan for national social insurance covering all the corporations and any of those engaged in interstate commerce and open to voluntary use by other corporations and employees, such insurance to be paid from funds contributed by the corporation, employees, and in the State.

Mr. UNTERMYER. Yes.

Chairman WALSH. Now, I wish you would please elaborate upon that, if you will, Mr. Undermyer, and state the proposition?

Mr. UNDERMYER. It would be a method of insurance that could be best carried out through the local society—unions connected with the various trades.

Chairman WALSH. Well, now, begin at the national part of it. I believe you referred to it as a national social insurance?

Mr. UNDERMYER. Yes.

Chairman WALSH. Covering or embracing the employees engaged in interstate commerce?

Mr. UNDERMYER. Interstate commerce; yes.

Chairman WALSH. I wish you would.

Mr. UNDERMYER. A national board would be tributary to the local feature.

Chairman WALSH. And the organization, its head, or what would be the head of the national organization?

Mr. UNDERMYER. He would be an officer of the Government.

Chairman WALSH. He would be an officer of the Government?

Mr. UNDERMYER. Yes.

Chairman WALSH. And the proposition would contemplate the creation of a bureau of national social insurance?

Mr. UNDERMYER. Yes; just as you have it in England to-day, and as you have it in Germany and Austria and other countries.

Chairman WALSH. Just state, taking the plan in England to-day, how that plan would be here, following what you think we could do here under the plan in England and Germany.

Mr. UNDERMYER. Well, you have now accident insurance in many of the States. That could be extended so as to cover sickness, unemployment, and the other heads of insurance, recognized heads, in other countries; maternity benefits and the like. It would be compulsory, because voluntary insurance fails to reach the people who most need it. That is the experience of other countries—that the insurance must be compulsory and compulsory upon the worker and compulsory upon the employer, with the State and community contributing to it. I do not think it would be profitable to go into any detailed explanation of these various plans, because there are so many in the different countries that are in operation that it would only be confusing. I believe the statistics gathered by your commission, Mr. Chairman, show that every man, woman, and child in the United States now pays \$5 a year for medicine alone, which is used in a haphazard way. I think their investigation further shows—I know it did in the other investigation—that in the poorer districts there were no physicians, practically none, until this insurance law against sickness made its appearance, and that brought the physicians by reason of the gratuities that were held out by the law to physicians. It gives to the poor medical attention that they had never before received, and it is such a vast subject that you do not know where to begin.

Chairman WALSH. Well, could such insurance be made so as to cover accidents?

Mr. UNDERMYER. Yes; it should cover accidents and sickness and unemployment. There is no reason why it should not cover accidents.

Chairman WALSH. Accident, sickness, invalidity, and unemployment?

Mr. UNDERMYER. Yes; and maternity benefits.

Chairman WALSH. Now, I wish you would state a little more in detail, if you will, your idea as to, first, why, and then how, it could be worked out through existing labor organizations.

Mr. UNDERMYER. It has been found that that is the most effective and satisfactory way of working it out, where the industry is organized, where there are labor unions in the industry, because as each employee contributes to that fund, each employee is going to watch and see that the money is not improperly taken from the fund. They are the best policemen to guard the fund. Now, they had a great deal of trouble in other countries—when they inaugurated sickness insurance—with malingering; that is, the pretense of sickness by people who were too lazy to work and wanted to take advantage of the sick benefit. But that is gradually disappearing, the worker beginning to understand that when another employee who is not ill draws sick benefits it takes them from him. So they keep pretty close guard on one another.

And in the same way when you come to unemployment, that is a still more difficult subject. You could not handle it in a bureaucratic way. I think you will have to handle it through governmental cooperation, because it is almost an impossible thing to determine when a worker who is thrown out of employ-

ment in one direction can or can not get employment in another. Yet those problems are all being solved in other countries. There is no reason why they should not be solved with us. But the complexity of them in discussing them orally is so great I think it would only lead to confusion to attempt to go into detail in laying out these different plans that are now being operated in other countries.

Chairman WALSH. Broadly speaking, then, you think under the existing laws and constitution of our country that such a thing could be worked out here covering all those things?

Mr. UNTERMYER. I think it could be worked out with respect to the interstate industries, and I think the others would have to follow. I think every State would follow it with respect to its intrastate industries. It has worked very well, you know, where it has just gone into effect in England so far as unemployment; so far as concerns sickness it has been in effect now for two or three years and it has worked out very much better than anybody had anticipated. Of course, in Germany, as you know, the sickness insurance is an old institution there. The Government does not contribute anything except the administration. The employer and employees make the whole contribution.

You have got a fair illustration of how unjust these private benefactions have proven to be. You have got the instance of the Pennsylvania Railroad, for instance, where the men have been the sole contributors to that great fund, and the company contributed nothing except to the expenses of administering the fund, which is less than 10 per cent of the fund. They pay all the accidents on the Pennsylvania Railroad out of that fund.

Commissioner GARRETSON. About the profit; is it a bar to recovery?

Mr. UNTERMYER. Yes. The whole thing shows the abuse to which private administration of this system may be put. They say it is compulsory, and of course it is compulsory. Ninety-seven per cent or more of the men have it and other railroads admit it is compulsory. Yet they use that fund which the men have created as a basis, and as a means from which they pay the accidents on the road. Now it would cost, I say, less than half under Government insurance to give that security to the employees.

Chairman WALSH. Pardon me. Were you going to add something?

Mr. UNTERMYER. No; nothing.

Chairman WALSH. Have you given any thought to the proposition of a national system of labor exchanges for the distribution of labor, on a national basis, cooperating with the public agencies operated by the different States and cities in the Nation?

Mr. UNTERMYER. I have read a good deal about it and I have seen it in operation in the European countries, and very successful in operation, especially in Germany. They have a local labor exchange and then they have a general system of labor exchange; that is, Government labor exchanges. There is no reason to my mind why such a system should not greatly relieve or destroy unemployment and that unemployment insurance would revolutionize the condition of the American laborer.

Chairman WALSH. You think then encouragement should be given by Federal agencies to the organization of employees of corporations engaged in interstate commerce?

Mr. UNTERMYER. Decidedly. Through constitutional assurance that it is possible to bring them under union control, for they would have the benefit of concentrated power and responsibility and concentrated protection.

Chairman WALSH. How would you suggest that encouragement might be given to the union by the organization of the workers in interstate corporations other than, for instance, the instance you have cited, of social insurance?

Mr. UNTERMYER. Well, I am not prepared. I have not been asked, so far as I know, and have not prepared to suggest any.

Chairman WALSH. I thought maybe you might have some on hand.

Mr. UNTERMYER. No. I am opposed to offhand remedies.

Chairman WALSH. Mr. Garretson, would you like to ask Mr. Untermeyer some questions?

Commissioner GARRETSON. Yes; I would.

Mr. UNTERMYER. I ask, Mr. Chairman, you go on and develop these questions of unemployment insurance and sickness insurance.

Chairman WALSH. We have tried to develop them as scientifically as we can through our investigators.

Mr. UNTERMYER. You are doing that, I think, and making great progress.

Chairman WALSH. We are doing it.

Commissioner GARRETSON. Mr. Untermeyer, I was unfortunate in the fact that I did not hear the earlier part of your testimony, and consequently a question or two I may ask possibly you passed upon prior to my coming. But when you were referring to the existence of certain groups, have your investigations brought to your attention and knowledge as to about how many groups of railways there are on this continent out of the—well, we will say, thousand companies apparently independent, into how many groups they are arranged?

Mr. UNTERMEYER. You mean the potential central control?

Commissioner GARRETSON. The power of central control.

Mr. UNTERMEYER. I do not think they have—they have not been scheduled exactly.

Commissioner GARRETSON. Not apparently controlled, but actual.

Mr. UNTERMEYER. Actual control. I think you will find that that is all fully developed in this report which I referred to in great detail. You can not divide them exactly into groups, because there are here and there independent roads.

Commissioner GARRETSON. Oh, a few.

Mr. UNTERMEYER. That is, independent in a sense, and yet not independent, because even they are dependent upon traffic over some controlled roads.

Commissioner GARRETSON. They are subject to influence of control, although it may not come through ownership?

Mr. UNTERMEYER. Oh, they are subject to patronage influence.

Commissioner GARRETSON. Has your experience given you an opinion strong enough to express as to how many banking groups there are control the entire party of roads?

Mr. UNTERMEYER. The entire what?

Commissioner GARRETSON. The entire number of roads, blotting out for the moment these so-called independent properties.

Mr. UNTERMEYER. Well, blotting out the independent properties, I should say that they are dominated by two groups of banking houses, and it is a very effectual control, too, although you can not define the lines of it; it is elusive, for when you want to get at it and it is effective, and it is effective when they want to get at you. [Laughter.]

Commissioner GARRETSON. You can see the results of it?

Mr. UNTERMEYER. You can see the results and you can often see the workings of it.

Commissioner GARRETSON. Does the system—I assume that you have a very considerable degree of familiarity with the system of interlocking directors and interlocking ownership?

Mr. UNTERMEYER. Yes; we went into that very fully in the Pujo investigation, made a very comprehensive report of it; yes, sir.

Commissioner GARRETSON. Does it furnish a perfect vehicle, if it is desired so to use it, in your opinion, for well—I want to use a word that really conveys my meaning—

Mr. UNTERMEYER (interrupting). That is not always easy.

Commissioner GARRETSON (continuing). For the manipulation of the body of citizenship, both laborers and the patrons who are not parties to that control, laboring in the way of hours and wages and consumers in the matter of price and quality?

Mr. UNTERMEYER. Well—

Commissioner GARRETSON. I am not putting it on the basis that it is so used.

Mr. UNTERMEYER. Well, I understand it is potential power.

Commissioner GARRETSON. Yes.

Mr. UNTERMEYER. Well, its potential power I do not think you have understated.

Commissioner GARRETSON. You referred to the number of stockholders. We will take the railway proposition as a concrete example, because it is the one that is the most thorough interstate interest?

Mr. UNTERMEYER. Yes.

Commissioner GARRETSON. In existence. Have you ever made any investigation as to the actual number of stockholders, aside from duplications, that own the railway stock?

Mr. UNTERMEYER. There have been statistics prepared on that subject. I do not remember exactly what they are. They have often been stated as 5,000,000.

Commissioner GARRETSON. Oh, yes; a round statement. But round statements are like offhand statements that you referred to.

Mr. UNTERMEYER. There are sometimes square statements, too.



Commissioner GARRETSON. Has your experience led you to believe there are 5,000,000 holders of railway stock?

Mr. UNTERMYER. I do not think experience would help in that.

Commissioner GARRETSON. The proxy system that you referred to?

Mr. UNTERMYER. Yes.

Commissioner GARRETSON. Is it not a fact that the proxy system has become so universal that every country bank, or every country corporation almost, large and small, when giving a notice of stockholders' meeting sends attached, and usually a part of the sheet as a notice of that meeting, a proxy?

Mr. UNTERMYER. That is the custom now with notices of meeting, the proxy generally goes out.

Commissioner GARRETSON. And as a rule the blank in that proxy for the name of the person to whom the proxy will be granted is, as a general practice, a virtually unknown man in the corporate sense?

Mr. UNTERMYER. As a general practice it is. Of course, there are exceptions in it.

Commissioner GARRETSON. There are?

Mr. UNTERMYER. Known men are put in, but even when they are put in you are not voting for them. They are only agents.

Commissioner GARRETSON. They are under control and direction?

Mr. UNTERMYER. They are named as agents to vote for somebody else, somebody you do not know.

Commissioner GARRETSON. They are under the control and direction of somebody else?

Mr. UNTERMYER. The very form of the power of attorney notifies you that you are not voting for them, but you are voting for somebody else, giving them authority to vote for directors whose names are not disclosed.

Commissioner GARRETSON. In your own opinion, can there be any true prosperity in a country where the majority of the inhabitants are poverty stricken?

Mr. UNTERMYER. I should say—

Commissioner GARRETSON (interrupting). In the national sense.

Mr. UNTERMYER. I should say that was a truism.

Commissioner GARRETSON. Is the congestion of money in a few hands comparable with any theory of reasonably equitable distribution, Mr. Untermeyer?

Mr. UNTERMYER. Of course that attacks the whole social theory.

Commissioner GARRETSON. It does.

Mr. UNTERMYER. I have not gone over all that for some time, you know, but it is all in writing, Mr. Commissioner. I think that the report of the committee fully answers that question. Of course, the greater the concentration of money the less the prosperity of the country generally.

Chairman WALSH. The wider the distribution of wealth, of course, the better for the prosperity of the country; but you do not want to check individual enterprise, either—legitimate individual enterprise.

Commissioner GARRETSON. By no means. You have had a very considerable connection with the investigation of certain phases of—well, life in this country?

Mr. UNTERMYER. Economic life.

Commissioner GARRETSON. It can't be narrowed, either to industrial, financial, or any other one phase, but it is really the problem of life in general.

Mr. UNTERMYER. It is the problem of economic social life.

Commissioner GARRETSON. It is. If the problem of the private fortune was dealt with—that is, the large private fortune in a successful manner—would there be any trust problem?

Mr. UNTERMYER. Yes.

Commissioner GARRETSON. Do you believe under the present system of combination trusts would be possible in the absence of the large private fortunes?

Mr. UNTERMYER. Yes. I do not think—what you mean by the large private trust, of course, there would not be any trusts possible under the condition of socialism unless we were a trust estate.

Commissioner GARRETSON. I am not referring to socialism, Mr. Untermeyer; only to what might be termed the modest fortune.

Mr. UNTERMYER. You mean the restriction of fortune?

Commissioner GARRETSON. Not the restriction, the growth either by any legitimate means—well, now, I will strike out the word "legitimate"—any legal means?

Mr. UNTERMYER. Yes.

Commissioner GARRETSON. Because the question of legitimate law depends upon the man's viewpoint.

Mr. UNTERMYER. I do not believe in the restriction of fortunes, but I believe in rigidly restricting the way in which they are made.

Commissioner GARRETSON. Well, what, strictly speaking, would be the difference, a man who held that view and the restriction of fortunes?

Mr. UNTERMYER. I can conceive the possibility of a man legitimately making a vast fortune. I think he ought to be permitted to enjoy it.

Commissioner GARRETSON. You referred to the fact that there was a quickened and different sentiment existing in regard to the conduct of many matters—that is, matters within comparatively a few, a period of a few years past; that is usually referred to as a quickened moral sense. Do you believe, from your experience and your investigation that it is altogether due to a quickened moral sense or to a quickened business perception?

Mr. UNTERMYER. No; I do not think it is a quickened business perception. I think it is a change, due to a change of moral standards and to the imminence of legal restraints.

Commissioner GARRETSON. Therefore a quickened business perception would guard against the legal restraint by putting in part-way measures?

Mr. UNTERMYER. Yes; I think that the disposition of the people whose license is being assailed is to meet these reforms with palliatives.

Commissioner GARRETSON. The man who has his ear to the ground hedges?

Mr. UNTERMYER. Yes; and I think there is a great danger of our progress being interrupted by these forced palliatives, that do not amount to anything anywhere and do not get us anywhere.

Commissioner GARRETSON. They do not cure the evil at all; they only deal with a certain amount of the result of it?

Mr. UNTERMYER. Yes. For instance, take the Clayton bill. Instead of striking out the interlocking control of corporations it strikes at the interlocking directory, which is only one of many forms of control, and still leaves the interlocking control unrestrained.

Commissioner GARRETSON. He is placed between the upper millstone of what you might call unrestricted organization of owners; and between what is referred to ordinarily as the public interest—that is, that the public must not be inconvenienced nor suffer loss through cessation of work—has the average laborer any show for his money?

Mr. UNTERMYER. Well, it depends on what industry he is engaged in. How skilled the labor is, how much it is needed. I confess, on the whole, I do not think he has very much.

Commissioner GARRETSON. I will come again to the typical industry, in that it bears probably the closest relation to the greatest number of people, the railway industry.

Mr. UNTERMYER. I think the industry most highly concentrated in this country is the anthracite-coal industry.

Commissioner GARRETSON. But there is no one that could work greater hardship on the public in transportation, because you can stop the trains moving temporarily for three days, and we stand still.

Mr. UNTERMYER. Yes.

Commissioner GARRETSON. And it would bring it into every home?

Mr. UNTERMYER. Yes; there is no doubt about that.

Commissioner GARRETSON. That is the reason I take that as a typical one. If those employees in tracing what they believe and were able to demonstrate was a fair and just demand should merely make the cessation from work they would invade the public interest, and that is always made apparent to them when they move.

Mr. UNTERMYER. Yes.

Commissioner GARRETSON. While their men with whom they were dealing are unrestricted in the methods which they would pursue?

Mr. UNTERMYER. I do not think they invade public interests by exercising that right quite as much as the employer invades the public interest by interrupting and neglecting of his worker.

Commissioner GARRETSON. Doesn't absentee landlordism virtually create absolutism in the person of the figurehead who is set up as the representative of the owner?

Mr. UNTERMYER. I am not sufficiently familiar with the details of the internal management of these corporations to be able to answer that question.

Commissioner GARRETSON. Well, could you take as an example, for instance, the late Colorado strike where the president of those corporations, as the repre-

representative of the owners, where it was openly stated there was no appeal from his conclusions. Is that an ideal system for the public good?

Mr. UNTERMYER. Of course, it is barbarous, but it exists.

Commissioner GARRETSON. It is barbarous, but it exists?

Mr. UNTERMYER. Yes.

Commissioner GARRETSON. In the change of the form of the insurance company that you referred to from a stock to a mutual?

Mr. UNTERMYER. That has been done in the two great companies within the last year, two great ones in the United States.

Commissioner GARRETSON. Do you know whether or not the stock of that company which was purchased, I assume from the stockholders by the company itself, whether it was sold at book value, or at what might be called a speculative value?

Mr. UNTERMYER. I do not think I am competent to discuss that, inasmuch as I was professionally concerned in the transaction.

Commissioner GARRETSON. Do you know what the minimum rate at which the insurance is sold in that company is? I assume it is graded on age; that is, that has something to do with it?

Mr. UNTERMYER. Yes.

Commissioner GARRETSON. What is the minimum cost per thousand, do you know?

Mr. UNTERMYER. I do not recall the figures.

Commissioner GARRETSON. Have you made any investigation, Mr. Untermyer, as to the form of insurance and the cost thereof where a plan has been developed by workers themselves for doing their writing, writing their own insurance, underwriting?

Mr. UNTERMYER. Such as you have in some—

Commissioner GARRETSON. Labor unions.

Mr. UNTERMYER. Labor unions?

Commissioner GARRETSON. Yes.

Mr. UNTERMYER. No. I know it is a great smaller and more economical.

Commissioner GARRETSON. Well, I wondered if you had followed that up. What is the comparative cost, do you know?

Mr. UNTERMYER. No; I can not give you that.

Commissioner GARRETSON. For administration, between the German Government plan and the plan in this country.

Mr. UNTERMYER. I can not give you the figures, but it is enormously less. There is one item alone that would make a tremendous addition to the thing; that is, in the Government plan you do not have to keep any reserve against liability, for instance, like this company to which I referred; they have to keep \$500,000,000 as a reserve against liability, and when in five years it reaches a larger amount they will have to have a thousand million of dollars. That gives a few men the investment of thousands and thousands of dollars that even with the best management there are losses involved.

Commissioner GARRETSON. Makes the domination over those funds an element of financial liability that was considered undesirable according to the Lexow investigation?

Mr. UNTERMYER. Not the Lexow investigation, you mean the Pujo?

Commissioner GARRETSON. That is right. I am going probably back a little further, in the State of New York alone.

Mr. UNTERMYER. That was not that kind of an investigation. Don't you mean the Hughes-Armstrong investigation?

Commissioner GARRETSON. Yes; that is the one that I intended. You know of no Government system, Mr. Untermyer, that pays and commission for procuring the business under the Government system?

Mr. UNTERMYER. That is one of the great savings of the Government system, and the absence of reserve is another; equalization of the risks over a vast field of insurance is another; they are all of manifest advantage. The thing is crude with us. We are so far behind one should be ashamed of one's self in everything that pertains to industrial insurance.

Commissioner GARRETSON. That is all, Mr. Chairman.

Chairman WALSH. Is there anything else? Commissioner Weinstock wants to ask some questions.

Commissioner WEINSTOCK. The question was put to you, Mr. Untermyer, by the chairman, I think—it was about the last question—how you would encourage the organization of labor through the efforts of the State, and I think you answered you were not prepared to answer that?

Mr. UNTERMYER. No. I think it is one of those subjects that requires a good deal of study.

Commissioner WEINSTOCK. Now, let me explain to you the Australasian method of doing that, and then let me ask you whether you think it could be transplanted to this country.

Mr. UNTERMYER. I have read about it.

Commissioner WEINSTOCK. In Australasia, more especially in the State of Victoria, they have what is known as the wages boards for the fixing of minimum wages. The representatives on those boards are chosen by organized labor on the one hand and by the employers' association on the other in the various crafts. Now, labor, under the benefit of these wages boards, must organize, and the State deliberately makes the commission such that it is in the interest of labor to organize. It is not compulsory; it is voluntary. But the advantages to be gained are sufficient to encourage organization. As a consequence in Australasia 75 per cent of labor is organized as against about 20 per cent in all other industrial countries.

Now, assuming that is your idea, that you expressed earlier in the hearing, that a minimum wage system should be established, and assuming that it is constitutional, could not the State follow the Australian plan of creating wages boards in the various crafts and fixing a minimum wage, and in that way encouraging labor to organize?

Mr. UNTERMYER. Oh, if it is possible to do it within the limits of our Constitution, it is certainly an advisable thing for labor to do. I have never quite understood the objections that have been urged against the minimum wage from the direction of labor.

Commissioner WEINSTOCK. Now, touching, then, upon the constitutionality of establishing the minimum wage, you expressed the opinion that it would not be unconstitutional?

Mr. UNTERMYER. I do not think I expressed that opinion. I expressed the opinion that I had not formed any opinion.

Commissioner WEINSTOCK. Then I misunderstood you. I got the impression that you believed there was nothing in the Constitution that would prohibit the establishing of a minimum wage.

Mr. UNTERMYER. Well, what I intended to say was that we were discussing this Federal system as applied to interstate commerce.

Commissioner WEINSTOCK. Yes.

Mr. UNTERMYER. And I said that I had not—or I intended to say that I had not—but a mere superficial opinion that Congress has the right to examine all the conditions under which any business, any industry, can engage in interstate commerce—

Commissioner WEINSTOCK. Yes.

Mr. UNTERMYER. And I suppose as one of those conditions it would be no industry shall engage in interstate commerce unless there is an organization labor attached. But that, of course, is a very serious question and one that I would not like to commit myself upon in this way.

Commissioner WEINSTOCK. I see. You are not prepared, then, at this time, Mr. Untermyer, to say whether that would or would not be unconstitutional?

Mr. UNTERMYER. No; I should not like to venture any definite opinion.

Commissioner WEINSTOCK. I see. It has been held, of course, as you doubtless know, that the fourteenth amendment of the Federal Constitution making a minimum wage for men unconstitutional on the ground that it would interfere with the right of private contracts.

Mr. UNTERMYER. Of course; under that amendment to the Constitution and not under the interstate clause.

Commissioner WEINSTOCK. I see.

Mr. UNTERMYER. I mean this, that presents itself under the broad commerce provision of the Constitution; that is, that Congress has the power to regulate commerce between the States or foreign countries. Now, the question arises whether Congress can not say that no corporation shall engage in interstate commerce until it has a license to start with or until it takes out a Federal charter. Then why can not Congress say it shall not be given a license or a charter to engage in interstate commerce unless it conforms to certain industrial conditions?

Commissioner WEINSTOCK. I see. Well, could that be made introactive?

Mr. UNTERMYER. Well, yes; retroactive, rather.

Commissioner WEINSTOCK. Retroactive.

Mr. UNTERMYER. No corporation has the right to engage in interstate commerce for a single moment longer than Congress says so. It can say tomorrow that it will not allow any corporation to engage in interstate commerce except upon certain terms that were prescribed, and that they must be terms that have a proper relation to the subject of commerce.

Commissioner WEINSTOCK. You made the statement, Mr. Untermeyer, that the railways of this country, as a great body of railways of this country, are practically under the control of two financial groups?

Mr. UNTERMYER. A large part of them are. I large part of that mileage is under domination, or under the potential domination, of those groups.

Commissioner WEINSTOCK. How has the reserve banking act affected, if at all, the banking control of railroad systems?

Mr. UNTERMYER. Not materially as yet. It is hoped that it will. It is expected that it will in this way: That until the banking law was passed the reserves of the banks all through the country were deposited in New York largely, and those reserves were deposited in banks that were controlled by these same groups, and those vast funds were then under the domination of these men.

Now, the Federal reserve act, when it gets into full operation, which will take a few years, will distribute those reserves, and the vast sums that came to New York will not come here, and in that way there will be to some extent decentralization of the control—concentration of the control—of this money that was in the banks. I look for very substantial results from the Federal reserve act. I think it is one of the greatest pieces of constructive work this country has ever done.

Commissioner WEINSTOCK. You also pointed out how under the system of railroad reorganization a small minority is made to control. In other words, the tail wags the dog.

Mr. UNTERMYER. Well, not exactly that. That was not what I intended to convey. I intended to convey the idea that the financial interests that dominated the road when it gets into trouble retain that control through our method of reorganization after it gets out of trouble and continues to dominate.

Commissioner WEINSTOCK. I see.

Mr. UNTERMYER. And in the case in which it does not dominate the road before it got into trouble, our system lends itself readily to getting domination over it when it gets into trouble and when it is out of trouble.

Commissioner WEINSTOCK. Well, now, so far as you have been able to observe, has that system proven helpful or hurtful to the railroad stockholders?

Mr. UNTERMYER. I think very hurtful.

Commissioner WEINSTOCK. You think very hurtful; that is, it has robbed the majority of the minority stockholders of a voice?

Mr. UNTERMYER. Not only of a voice, but it has robbed the roads of the protection that would come from the protection of a minority voice.

Commissioner WEINSTOCK. And I suppose you would point to the New Haven road is a horrible example?

Mr. UNTERMYER. Well, I should point to others as much more horrible examples, because in the New Haven road I do not think there was much corruption, if any. There was very bad judgment and recklessness in attempting to dominate nearly a whole section of country, but in other roads it has been much worse.

Commissioner WEINSTOCK. You also pointed out that the large industries or important industries getting into a few hands was inimical to labor?

Mr. UNTERMYER. Yes; puts it at a great disadvantage.

Commissioner WEINSTOCK. That is, minimizes the possibility of labor organization?

Mr. UNTERMYER. Well, not only labor organizing, but, when organized, in getting its rights, because labor has nowhere else to go. If the labor in an industry has only that industry that it can deal with and has to deal with the whole industry and their terms are unsatisfactory, then it has nowhere else to go.

Commissioner WEINSTOCK. Now, will that situation apply, Mr. Untermeyer, to the railroad system of the country? As you pointed out, the railroad systems are going into comparatively a few hands, and yet is it not a fact that labor is more thoroughly organized in the railroad systems than in any other industries, and that railways, so far as labor is concerned, are more thoroughly democratized than any other industry?

Mr. UNTERMYER. Yes; I think that is so, so far as they have had to deal with the public, and it has paid the railroads, or some of them, or businesses

that are tributary to them, to treat labor fairly decently. You take, for instance, the anthracite-coal system, which is really part of the railroad situation, where every time they lifted the price of labor 10 cents, they lifted the price of coal about 25 cents; so it is an advantage to the owners of the anthracite mines and roads to accede to the demands of labor.

Commissioner WEINSTOCK. Well, would not the same law or same policy hold with all public utilities—with all like corporations—corporations furnishing light, or furnishing power, or furnishing water? Are those corporations not dependent upon the good will of the public as much as the railways are?

Mr. UNTERMYER. Yes, sir; but they are not so much in the limelight, you know. I mean they are not so responsive to public sentiment.

Commissioner WEINSTOCK. I see. You would then regard the labor conditions in transportation as exceptional to the general rule that you have laid down.

Mr. UNTERMYER. I think they are exceptional. I think labor is exceptionally well organized there and gets—comes much nearer getting—something approaching its rights than it does in any of the other industries.

Commissioner WEINSTOCK. Is cumulative voting in corporations established in this State, for example?

Mr. UNTERMYER. It is permissible in this State. It is not a part of our constitution. It ought to be compulsory. It is compulsory in Missouri, Pennsylvania—

Commissioner WEINSTOCK. California?

Mr. UNTERMYER (continuing). I think in California, too; yes, sir.

Commissioner WEINSTOCK. But not here?

Mr. UNTERMYER. Not here; no.

Commissioner WEINSTOCK. And you think that would be along the lines of remedial legislation, if it were made compulsory?

Mr. UNTERMYER. Yes; I believe it should be made compulsory, and should be coupled with a right of voting by mail, such as I have outlined.

Commissioner WEINSTOCK. You spoke about sickness insurance and about organized labor handling sickness insurance?

Mr. UNTERMYER. Yes—subject to State supervision.

Commissioner WEINSTOCK. How would you deal with unorganized labor—remembering only about 25 per cent of labor in this country is organized.

Mr. UNTERMYER. I should deal with it in the same way as they do in England. They deal with it there through the post office by means of card and stamps. They have no difficulty—for instance, domestic servants in English families are all under the sickness insurance law, and the employer and employee have to contribute.

Commissioner WEINSTOCK. You also said that in dealing with sickness insurance, especially in Europe, that in the beginning there had been a good deal of malingering.

Mr. UNTERMYER. Yes, sir.

Commissioner WEINSTOCK. But that that was diminishing now.

Mr. UNTERMYER. Yes, sir.

Commissioner WEINSTOCK. Then I judge from that, Mr. Untermyer, that you have not read the more recent literature on the subject. The more recent literature on the subject touching conditions in Germany would indicate that it is working the other way and a new industry has developed, especially in Germany—a new medical industry—that is, that of physicians who teach men how to malingering.

Mr. UNTERMYER. Yes; I have reference more to the working of the English system. I think complaints are less pronounced than they were in England, but it has got to be met. There is more reason for sickness insurance than there is for accident insurance.

Commissioner WEINSTOCK. Yes; I think so too, because the records show that the first cause for poverty is sickness.

Mr. UNTERMYER. Yes, sir; and, of course, it would raise the standard of health so greatly—the system of medical attendance for people so as to reduce the amount of illness, and that it would reduce the percentage of insurance to the employer. The employer whose workmen have the least sickness, who were kept in the best of health, would be able to compete on unequal terms with the employer who did not look after the health of his workers.

Commissioner WEINSTOCK. Well, now, advocating, as you seem to advocate, a system of State sickness insurance and a system of State unemployment insurance, would you make that contributory on the part of the worker?

Mr. UNTERMYER. Yes, sir; absolutely; and compulsory, too.

Commissioner WEINSTOCK. You would; and how would you meet the objections to making it contributory that was raised to me by Mr. John Burns, the ex-cabinet minister of Great Britain?

Mr. UNTERMYER. It is contributory there, isn't it?

Commissioner WEINSTOCK. No.

Mr. UNTERMYER. Oh, yes.

Commissioner WEINSTOCK. I think not; unless the law has been changed—

Mr. UNTERMYER. You mean the sickness and unemployment insurance?

Commissioner WEINSTOCK. Well, perhaps—

Mr. UNTERMYER. Oh, yes.

Commissioner WEINSTOCK. That has been established recently.

Mr. UNTERMYER. Oh, yes; that is compulsory.

Commissioner WEINSTOCK. In discussing the old-age pension acts, it is not contributory—

Mr. UNTERMYER. Yes?

Commissioner WEINSTOCK. The question was put to Mr. John Burns, "Why haven't you followed the German system of contributory old-age pensions?" And his answer was, "The cabinet considered that very gravely and very seriously, but decided it was not practicable, at least in England, because of the cost of collection alone would be prohibitory and extremely difficult to enforce it; and so the old-age pension act," he went on to say, "was made noncontributory." Now, if, as you say, the sickness—the State compensation for sickness and unemployment—has been made contributory, the policy must have been changed.

Mr. UNTERMYER. Oh, yes; it is contributory. There is no doubt about that, is there, Mrs. Harriman?

Commissioner HARRIMAN. Oh, I am sure it is.

Mr. UNTERMYER. I have read the act a number of times, and it is contributory, and you do not participate until a certain number of payments have been made, and then I think it is 26 weeks at a given rate, and then it is at a reduced rate.

Commissioner WEINSTOCK. That is all, Mr. Chairman.

Chairman WALSH. Mrs. Harriman would like to ask you some questions.

Commissioner HARRIMAN. Mr. Untermeyer, I would like to know what, in your opinion, would be the most successful remedy for casual labor.

Mr. UNTERMYER. Well, that has been a plague, you know, of all systems. I don't know, other than the Federal labor exchange, such as they have in Germany. That is, they have local labor exchanges and a general Federal labor exchange.

Commissioner HARRIMAN. Do you know which system is best, say, the German system of Federal labor exchanges, or the system in England?

Mr. UNTERMYER. Oh, I think the German system is far better developed.

Commissioner HARRIMAN. That is all, Mr. Chairman.

Chairman WALSH. Commissioner O'Connell says he has some questions.

Mr. UNTERMYER. Yes.

Commissioner O'CONNELL. Mr. Untermeyer, you said recent legislation known as the Clayton bill had prevented interlocking directorates, but not interlocking control.

Mr. UNTERMYER. Yes.

Commissioner O'CONNELL. Just what do you mean by that?

Mr. UNTERMYER. Well, of course, I don't want to criticize the bill, because we can not get everything at once. We have done very well as it is, it seems to me, to get as much remedial legislation as has been secured. But what I meant is this: The thing that is primarily to be prevented in the concentration of industries is the interlocking control of competing industries; that is, that a man in one town should not be permitted to own all the banks. Now, under this bill he can not have the same directors in all the banks, but he could still own them all. In other words, he could destroy competition so long as he had the outward indicia of competition, in the way of separate directors. The bill, in other words, prohibits competing businesses from having the same directors—interlocking directors, but does not prohibit them from having the same control—same stockholders and ownership.

Commissioner O'CONNELL. The same stock ownership constituting, in effect, the same corporation?

Mr. UNTERMYER. Yes, sir.

Commissioner O'CONNELL. Speaking of some things that some corporations are doing for the welfare of their employees, you cite the opportunity of ownership of stock in the concern?

Mr. UNTERMYER. Yes, sir.

Commissioner O'CONNELL. I understand you to say that that would be favorable—or a preventive of industrial unrest, the mere fact of owning stock—

Mr. UNTERMYER. I should think the fact that they were cooperating and that they had a participation in the business would tend to alleviate the spirit of unrest and give them an interest.

Commissioner O'CONNELL. Would it not have the opposite tendency to make the employee more self-subservient because of the feeling of ownership in the concern?

Mr. UNTERMYER. Make the employee more subservient?

Commissioner O'CONNELL. Yes.

Mr. UNTERMYER. I should think not. I think it would make him more independent, especially if he owns something which he can sell at any time on the market.

Commissioner O'CONNELL. I have in mind a corporation that recently is doing just that thing, one of our very large corporations.

Mr. UNTERMYER. Yes.

Commissioner O'CONNELL. It sold its stock to its employees, I think, around \$85 a share, and the stock now on the market can be bought for about \$50 a share.

Mr. UNTERMYER. Well, of course, that is not the kind I had reference to.

Commissioner O'CONNELL. I was just wondering whether—

Mr. UNTERMYER. Well, I should think that would make a good deal of unrest.

Commissioner O'CONNELL. You think that would cause unrest?

Mr. UNTERMYER. Yes; but, of course, I had in mind the instances we knew of, you know, in which employees had been offered participation, such as the United States Steel Co. and others.

Commissioner O'CONNELL. I am referring to the United States Steel Co. now.

Mr. UNTERMYER. Well, now, the employees in the United States Steel Co. were never offered common stock. They all had preferred stock.

Commissioner O'CONNELL. They were sold common stock on two occasions—the last around \$85.

Mr. UNTERMYER. I think not. I think you will find it was all preferred stock. I think you will find that no common stock was ever sold to the steel company's employees. Let us be just to them.

Commissioner O'CONNELL. I think on two occasions.

Mr. UNTERMYER. I think you will find you are mistaken, Mr. O'Connell.

Commissioner O'CONNELL. Did you ever look it up?

Mr. UNTERMYER. No; but then I had in mind such instances as the Kodak Co., where they had established very large funds for their laborers—sick-benefit funds. I think they have established two and a half million dollars each.

Commissioner O'CONNELL. You think that would be an incentive against men or to prevent or keep them from organizing or acting in a cooperative way for their industrial welfare?

Mr. UNTERMYER. Why, no; I don't see why it should. I don't know whether the Kodak people are organized or not.

Commissioner O'CONNELL. I can answer for them and say they are not.

Mr. UNTERMYER. They are not?

Commissioner O'CONNELL. No.

Mr. UNTERMYER. I should hate to see any devices that prevented their organizing.

Commissioner O'CONNELL. Have you given any thought to the question as to where that sort of thing is in operation—as to whether the men are organized or not?

Mr. UNTERMYER. Yes; but I find that they are organized in some of the industries where they have these sick benefits and others they are not. In the railroads they are organized, where they have those benefits.

Commissioner O'CONNELL. Not as far as stock ownership—

Mr. UNTERMYER. Oh, no; not as to stock ownership. Oh, I did not know you were referring to that.

Commissioner O'CONNELL. Yes; exclusively to the question of stock ownership.



Mr. UTERMYER. Well, I don't see why that should interfere with their organization.

Commissioner O'CONNELL. Now, Mr. Utermyer, a great question has been referred to this commission, and I am sure the commission will be glad to have your opinion, because you have great experience and knowledge of public affairs. That is this: This commission has been instructed to ascertain and report to Congress what are the underlying causes of industrial unrest. Can you enlighten the committee as to what, in your mind, is the real big cause of industrial unrest in our country?

Mr. UTERMYER. I should say injustice of existing conditions and American ambition.

Commissioner O'CONNELL. I did not quite get that.

Mr. UTERMYER. I say injustice of existing conditions and American ambition.

Commissioner O'CONNELL. Would you just elucidate, just a little bit?

Mr. UTERMYER. I have tried to avoid that. I think I would rather generalize in answer to a question of that kind. I think the unrest in the country has been very largely brought about by the knowledge on the part of the industrial workers of the country of the unjust way in which great fortunes have been amassed and a feeling that they are not getting their share of the prosperity when prosperity comes, but they are carrying all their burdens of adversity; that taxes are unjustly distributed; all the burden of taxation falls upon the poor. The first glimmer we have had of anything like just taxation has been in the inauguration of the income tax. And our capitalists—our captains of industry—they do not seem to have a very active recognition of the rights of labor; that is, they only surrender when they are forced to surrender. They do not seem to make very many voluntary efforts in the way of meeting the just demands of labor. That seems to be the feeling. How far that is justified I would not care to say.

Commissioner O'CONNELL. I understand your position to be—rather your opinion—that the individual worker has not got a fair opportunity or fair chance against the combine of men on the other side—capital.

Mr. UTERMYER. Well, where he is unorganized; yes.

Commissioner O'CONNELL. Yes.

Mr. UTERMYER. That is quite right. I am a great believer in organized labor.

Commissioner O'CONNELL. And you are a believer in compulsory arbitration?

Mr. UTERMYER. No; I think it would put the men at a disadvantage.

Commissioner O'CONNELL. And be impossible to carry into effect the awards.

Mr. UTERMYER. Almost impossible. I don't know of any place in which it has worked successfully. I may not be well informed on the question.

Chairman WALSH. Commissioner Ballard would like to ask a few questions.

Commissioner BALLARD. I understand you to say that the Government should encourage union control of labor?

Mr. UTERMYER. I say yes, if it is possible.

Commissioner BALLARD. Should the Government then try to limit labor in some of its endeavors, such as boycott, sympathetic strikes, and so forth? Should the Government take control of any of those topics?

Mr. UTERMYER. Well, no; I haven't in mind the Government going any further than doing what it legitimately and constitutionally could do to encourage the organization of labor. Of course, the criminal laws would pass upon violations of law.

Commissioner BALLARD. If you should have practically universal control by labor unions of all labor, would it not put an awful lot of power in their hands if they chose to single out any particular industry to penalize it and—

Mr. UTERMYER. We have the same laws to deal with the improper exercise of the power of labor as we have with the power of capital. I am not as afraid of the concentrated power of labor as I am afraid of the concentrated power of capital.

Commissioner BALLARD. Speaking again of unemployment or the insurance against unemployment, would you attempt to regulate the bringing into this country by foreign ships of millions of laborers a year who have no employment and can not have any when they come here?

Mr. UTERMYER. Well, the extent to which immigration should be restricted is a very big question. Of course, we owe everything to immigration. Now, whether the time has come when we should turn our backs upon it—that is another question which I do not feel competent to answer.

Commissioner BALLARD. That is all; thank you.

(See Untermyer Exhibits Nos. 1 and 2.)

Chairman WALSH. Thank you very much, Mr. Untermyer.

We will now adjourn until 2.30 this afternoon instead of 2 o'clock on account of the lateness of the arrival of our next witness.

(Thereupon, at 12.30 o'clock p. m., a recess was taken until 2.30 o'clock p. m.)

AFTER RECESS—2.30 P. M.

Chairman WALSH. The commission will please be in order.

#### TESTIMONY OF MR. ROGER W. BABSON.

Chairman WALSH. Before interrogating you, Mr. Babson, Mr. O'Connell wants to put something in the record in regard to that steel proposition.

Commissioner O'CONNELL. The question of the United States Steel Corporation selling common stock to its employees; Mr. Untermyer made a statement that he believed I was wrong in saying that they had. I am quoting from the report, "Conditions of Employment in the Iron and Steel Industry Investigation, made by the Board of Labor," issued by Charles P. Neill, Commissioner of Labor, in 1913, page 468. In 1909, 15,387 shares of common stock was sold to employees. In 1911 there were 29,081 shares of common stock sold to employees, and in 1912, 30,735 shares of common stock was sold to employees, making a total number of common shares of the United States Steel Corporation sold to its employees of 75,203 shares.

Chairman WALSH. Please state your name.

Mr. BABSON. Roger W. Babson.

Chairman WALSH. What is your occupation, please?

Mr. BABSON. Publisher of reports on business conditions.

Chairman WALSH. Where is your place of business—your office?

Mr. BABSON. My head office is in Wellsley Hills, a suburb of Boston, Mass.

Chairman WALSH. For what—how are these reports published; for general distribution and sale, or for what?

Mr. BABSON. They are of a confidential nature, for manufacturers, merchants, and bankers.

Chairman WALSH. I will ask you whether or not you have made a study of the question as to the extent to which potential control over labor conditions is concentrated in the hands of financial directors of large corporations?

Mr. BABSON. Yes, sir.

Chairman WALSH. I wish you would please give us the result of that study.

Mr. BABSON. Well, briefly, I feel that the greatest handicap, both labor and legitimate capital have to-day is in what is known as absentee ownership. I feel that the fact that a very few stockholders control the large industries of the country is very largely the reason of the present industrial unrest and the unsatisfactory returns which capital is securing. My study of industry teaches me that very seldom a strike occurs against the manufacturer who has built up his own business and lives in the town where his mills are operated. Also, comparatively, few receiverships take place under such conditions. The great majority of strikes and the great majority of receiverships take place after the man who has built up the business has died, or after the business has been incorporated and distributed to the public through bankers and promoters.

Chairman WALSH. Have you any figures bearing on the amount of the control of industry, the amount of the concentration and control of particular industries?

Mr. BABSON. I have not, but such figures as I have show clearly that it is increasing every day.

Chairman WALSH. From your knowledge and experience, to what extent is this potential control exercised in connection with labor matters.

Mr. BABSON. Why, principally through the line of indifference, I think. My experience with the bankers is that they have nothing against labor. They think just as much of the laborer as you or I, but they are busy with other matters and they don't bother about it. I think it is a question of indifference rather than a question of active dislike or antipathy.

Chairman WALSH. Is the logic of that that the real owners do not really exercise the control and leave it to some one else?

Mr. BABSON. Yes. In the question I notice you have here, "In determining the labor policies of corporations, what part is played, first, by stockholders; second, by directors, and third, by salaried officials, (d) by employers, individual, etc., and (e) by representatives of the public on mediation boards?" Now, I should say there was another group there which I should label the "Bankers or promoters."

Chairman WALSH. Will you please take those up seriatim? Take your own suggestion first, the bankers and the promoters and answer the question with reference to them, and just go on down the line with all of the others.

Mr. BABSON. I should say that about 80 per cent of the control is in the hands of bankers and promoters in 20-story office buildings—about 80 per cent of the control.

Commissioner WEINSTOCK. Control of what?

Mr. BABSON. Control of the large industries of the country.

Chairman WALSH. What lines, for instance, of production would you say?

Mr. BABSON. To finish my sentence, I should say that about 8 per cent was in the hands of directors, as such—about 8 per cent in the hands of salaried officials, and about 2 per cent in the hands of employees, and about 2 per cent in the hands of minority stockholders.

Chairman WALSH. Just take up those other groups that were mentioned that were submitted to you in the question?

Mr. BABSON. I have taken them all up now. I have just mentioned them.

Chairman WALSH. That includes all of them?

Mr. BABSON. Yes.

Chairman WALSH. Are the executive officers to whom is intrusted the direction of these labor policies qualified to exercise their powers without restraint from the Government or representatives of the workers in the determination of those policies? In other words, are those people intrusted with that power ordinarily capable of exercising it without restraint on the part of the Government or without the cooperation of employees?

Mr. BABSON. I should say yes, if they were let alone by Wall Street.

Chairman WALSH. Is it your idea that they are not let alone by Wall Street?

Mr. BABSON. Yes; that is my idea.

Chairman WALSH. In what way is the control of Wall Street exercised? How does the interference of Wall Street appear?

Mr. BABSON. My experience with Wall Street leads me to the conclusion that it is only interested with the one thing and that thing is dividends as quickly as possible. As long as dividends are coming along Wall Street is satisfied with the management. I say Wall Street, I should say that also applies just as well to State Street or La Salle Street, but I refer to the boards of directors in the office buildings away from the plants. They are interested in dividends. If certain dividends are being produced, they are satisfied. As a rule it makes little difference whether they are being produced by fair means or foul, by antiquated machinery or by modern machinery, or by good or poor management. If they are not being produced—if dividends are not being produced, then the office building management will get busy, the office building directorate will get busy and change the management or put in new machinery or do something to develop the industry, but so long as those dividends are coming along they let well enough alone. They never think of taking out the old machines and putting in new for the sake of paying labor more money; they never think of changing the management and taking out a young college man and putting in a man who knows the business to increase the business, but they do that to increase dividends.

Chairman WALSH. Do you have in mind any specific industry, or any particular institution in which you could point out the control of the promoter or of the banker? The man in the office building, over the labor policy of that institution?

Mr. BABSON. I think up in New England, the American Woolen Co. is a good illustration of that.

Chairman WALSH. Please describe the control they actually exercise.

Mr. BABSON. I think in the automobile business—perhaps that is a good illustration. The Ford plant is run by the men that created the industry. The General Motors and some of the other concerns are run from New York and Boston. I think that every industry has its good propositions and its bad propositions.

Chairman WALSH. The point at which I am trying to arrive is this: Is there any specific instance or instances that you can give us where the control was

actually exercised by the men in the office buildings over the labor policy of the industry, other than the fact that they were interested perhaps, or anxious about the dividends?

Mr. BABSON. No; I think it is a matter of indifference, as I stated in the first place. They have nothing against labor.

Chairman WALSH. Commissioner Garretson wants to ask a question.

Commissioner GARRETSON. Is it really a matter of dividends or a result that will aid speculative manipulation that the absentee landlord or Wall Street, or whatever name you call it by, desires?

Mr. BABSON. I think that in the early stages it is a desire for manipulation, but in the established industry I think it is simply dividends.

Commissioner GARRETSON. When it passes the investment stage it is only dividends, but in the early stages it has a speculative feature?

Mr. BABSON. Yes.

Chairman WALSH. What is your opinion of the general effect upon the social condition of the control exercised by the enormous fortunes that have been acquired the last half century?

Mr. BABSON. It is very bad. I always get into trouble when I say so, but I do not see why the control of ten or twenty thousand men should descend by inheritance through the death of some manufacturer, any more that the control of a city or of a State should pass on to the son of the mayor or the governor. Now, everybody says I am crazy when I suggest there is any inconsistency there, but I have never been able to get that in my head, and I think as I look over the field and I see that the industries are built up by certain groups of men, by men who started in a small way and they developed their industry. They understood their men and they knew their business and they grew successfully and built up an industry which was satisfactory in the great majority of cases to their employees and to the investors. Then the old man dies, so to speak, or else he incorporates and puts out a big issue of preferred stock and retires from business. Then it seems to me that the trouble begins, either as the business descends to the children or else as it descends to the unknown, distant body of stockholders.

Chairman WALSH. Now, without in any way seeming to give color to the statements made about you heretofore, I want to ask you the question—probably the difference between the descent of the control of the city from the mayor to his son and the descent of the control of an industry from a father to his son—would that not lie in the right of a man to dispose of his property at the time of his death?

Mr. BABSON. Well, I do not see why the laws could not be such that a man could dispose of his property without disposing of his vote. I have no objection to the boy having the money. The thing that bothers me is for him to have the vote.

Chairman WALSH. The vote goes with the stock.

Mr. BABSON. Why should it?

Chairman WALSH. Why shouldn't it? Tell us. I would be glad to have you tell us.

Mr. BABSON. If you live in New York and pay taxes in New York you have a vote. If you live in Boston you do not have a vote in New York. As long as a man connected with the American Woolen Co. lives in Lawrence, and works in the mills, in whatever employment it may be, he is entitled to his vote on his stock, and that is all right; but if he is in Europe or in San Francisco, then I do not see why he is entitled to a vote on that stock.

Chairman WALSH. Why, in the one case should the vote go with the possession of the stock and why in the other case should it not go with the property represented by the stock?

Mr. BABSON. Well, that is the question Emperor William asks.

Chairman WALSH. Well, I am in good company, in distinguished company, in asking the question.

Mr. BABSON. It seems to me that is the same problem that is the basis of all monarchical government. It seems to me our industries to-day are in the same position as the American colonies were 100 years ago. They wanted certain representation. England could easily have made a trade with us 140 years ago, and she would have had us to-day as she has Canada, but she was too shortsighted and she would not do it. She said she would have all or none, and the result was that she lost us. I think that capital is very much in the same condition to-day. Capital can trade with labor if she meets it on even ground, and they can work together, but if each take the position that they

are going to have all, there is going to be a bust-up and we will be in the same position that England was 140 years ago. Now, England learned better, and when Canada wanted representation she granted it to Canada, and consequently she and Canada are pulling together to-day. I believe that industry must go through the same evolution as political government has gone through.

Chairman WALSH. That is, it must be democratized, you think.

Mr. BABSON. Yes, sir.

Chairman WALSH. But still the question remains—perhaps I may be a little dense—

Mr. BABSON (interrupting). We talk about political freedom, but we do not hear much said about industrial freedom.

Chairman WALSH. The specific point I was trying to get at was, for instance, how would you handle shares of stock with reference to its exercise or control of industry except by vote, by the person who owned it regardless of where he happened to live?

Mr. BABSON. One very seldom—how can you vote if you are not here and you can't send a proxy; you can't vote, can you?

Chairman WALSH. I see. Your point is then that the person who votes the stock should do it personally?

Mr. BABSON. That is the first step. Then I would have the annual meeting at the mill. I would not have the annual meeting in a 20-story office building.

Chairman WALSH. Well, Mrs. Harriman, it seems to me, properly suggests that that still does not explain the proposition of the difference between the mayor handing down the control of the city to his son, or the owner of that stock handing down the control to his son; wouldn't his son have the right under the present laws of property and usually under the corporate laws of the different States, if he held enough stock or controlled enough, by virtue of that stock alone, to elect himself, is that not the way it has worked out; that is, descent from father to son in the industry?

Mr. BABSON. Let me ask you a question. Suppose that there was no such a thing as corporation at all in existence; the commission was called together in this country to devise corporation laws. Do you think there is one chance in a hundred of corporation laws being framed up that would allow no representation of labor on the board? Or so as to allow an annual meeting to be held at a 20-story office building instead of at the mills? Why, the corporation laws would never go through in the world in that way, in my humble opinion. I think that we simply have taken the old custom, these corporations have grown on us gradually. When the corporations were first originally founded it was never deemed that we should have the absentee control as exists to-day.

Chairman WALSH. Commissioner Garretson says he would like to ask a question right at this point.

Commissioner GARRETSON. Mr. Babson, let us get back to this absent control and descent control for a moment. Is it not a fact that the descent control has been applied, for instance, to the mayor or to the governor or to a king would be the divine right of blood as a justification in one case and in the other instance nothing but the divine right of property that justified it?

Mr. BABSON. In that case blood should be stronger than property, I think.

Commissioner GARRETSON. But they are equal as it goes, are they not?

Mr. BABSON. Yes, sir.

Commissioner GARRETSON. Now, could Emperor William assert his divine right of blood and remain an absentee from Germany?

Mr. BABSON. No, he could not; I guess.

Commissioner GARRETSON. Then, is there any more justification for absenteeism without divesting himself of the duties of control; has he any right to exercise the right of control?

Mr. BABSON. I don't believe he has.

Commissioner GARRETSON. That is all.

Chairman WALSH. I wish at this point you would take as an example the American Woolen Co. and analyze the directorate of that company, and point out the details of its control of that industry from a distance.

Mr. BABSON. Well, to start with, not one of the directors lives in Lawrence or Lowell, or so far as I know any other city where there is a mill.

Chairman WALSH. First, what is the size of that industry so far as employing capacity or power is concerned?

Mr. BABSON. It does not state in my report here, but presumably it is, as I remember, about 14,000.

Chairman WALSH. Fourteen thousand employees?

Mr. BABSON. It varies according to the demand and supply, of course. It varies a great deal. It will vary from, oh, 5,000 from one season to another season.

Chairman WALSH. Men and women?

Mr. BABSON. Men and women and children.

Chairman WALSH. And children?

Mr. BABSON. Boys and girls.

Chairman WALSH. Children also?

Mr. BABSON. Yes, sir.

Chairman WALSH. Now, how many manufacturing establishments have they? Does that appear in your report? Also give the places of location if you have them.

Mr. BABSON. It says the plant covers 700 acres of land; the mill and buildings, principally brick, contain more than 10,000,000 feet of floor space. Did you mean in the cities? There are quite a number of them.

Chairman WALSH. State the points.

Mr. BABSON. Harrisville, R. I.; Skowhegan, Me.; Pittsfield, Mass.; Lowell, Mass.; Lawrence, Mass.; Webster, and Lebanon. I have mentioned them rapidly, but there are about 12 different places.

Chairman WALSH. Was that industry one of the ones involved in the labor dispute of 1912—the late labor dispute in Lawrence?

Mr. BABSON. Yes, sir. That industry represents or witnessed the most severe strike that we have seen in New England for a dozen years.

Chairman WALSH. Now, I was speaking to Mr. Manly when you gave the locations of the factory. I wish you would give them again.

Mr. BABSON. Principally it is Lowell and Lawrence.

Chairman WALSH. And Lawrence?

Mr. BABSON. And some others.

Chairman WALSH. How many directors has the American Woolen Co.?

Mr. BABSON. The American Woolen Co. has nine.

Chairman WALSH. And where are they located?

Mr. BABSON. The president lives in Andover. One lives in Tenafly, N. J. I don't know where that is. In Bedford, Providence, Brookline, and Boston.

Chairman WALSH. Now, is there any financial control as practiced in the organization of the American Woolen Co.?

Mr. BABSON. No. Apparently the people first—well, now, I can't—not that I recognize. Bankers who control the American Woolen Co., I don't recognize any of the partners on the board of directors. There may be some bookkeepers in that banking house in this board of directors.

Chairman WALSH. What banking house controls the American Woolen Co.?

Mr. BABSON. Well, the banking house which has always financed industries has been—securities has been Brown Bros. & Co., of New York; but they doubtless have—F. H. Prince & Co. financed it and put it together.

Chairman WALSH. And do you have any information, so far as that company is concerned, of the exercise of financial control over its labor policies?

Mr. BABSON. No. But I want to be just to the financial interests. The financial interests have nothing against labor. Labor makes a great mistake in that. They have nothing against labor. They would like to have—it is simply indifference with them. They feel when the company pays a certain dividend that the job is done. I do not think that there is anything, there is nothing that they have against labor, Mr. Walsh, and probably if the financial interests back of any one of these companies was approached this afternoon to help out the workman in their employ that they would do it in a minute. Their hearts are just as big and just as good as yours and mine. But it is indifference with them. Their job is to get dividends and they do not consider it—when they have earned dividends they consider their work is done. They think labor is pretty well taken care of, and they leave it to the walking delegates to attend to the question of wages.

Chairman WALSH. Have you observed definitely the operation of these large corporations, such as the American Woolen Co., with their employees with the organizations?

Mr. BABSON. Yes; I have. But not the direct relation of the directors.

Chairman WALSH. No, but the corporation. Does a large corporation inherently possess any reason for maintaining better labor conditions than the smaller business, and if so what is it?

Mr. BABSON. Just repeat that, please.

Chairman WALSH. Does the large corporation inherently possess any reason for maintaining better labor conditions than the smaller company, and if so what is it?

Mr. BABSON. Well, I think that the larger the corporation is the more the target it is, and the more it is in the limelight; and consequently it is better business for them to treat their labor well than it is for a smaller concern. But, as far as inherently goes, I do not—I should say—I should say yes or no to that.

Chairman WALSH. What is the policy of large corporations toward dealing with their employees collectively, if you know?

Mr. BABSON. Well, just the same as they deal with a man that they buy their copper or their iron or their leather of. It is a question of supply and demand.

Chairman WALSH. What I mean was, do they oppose, or are they in favor of collective action on the part of their employees dealing with them collectively in the organization?

Mr. BABSON. Why, I think that corporations differ in that regard. As a rule I should say that they were opposed to collective bargaining. But, on the other hand, there are corporations which I think a good many of them are coming to see that it is a good business.

Chairman WALSH. What would you say the condition of the country is, say, for the past 10 years, referring now to these large corporations which you have dealt with in your reports from time to time, has the idea of dealing with organizations of employees grown or diminished in the last 10 years as the higher point of concentration was reached?

Mr. BABSON. I think it has grown.

Chairman WALSH. You think it has grown?

Mr. BABSON. Yes; I think the collective bargaining, no doubt whatever that labor is winning out on the collective-bargaining proposition.

Chairman WALSH. Is that true throughout New England?

Mr. BABSON. I think so on the collective bargaining. Now, I do not think that labor is winning out on the closed-shop proposition, but I think that it is gaining more than the collective bargaining.

Chairman WALSH. In what large industries would you say that has been the case in the last 10 years in New England?

Mr. BABSON. Why, I should say most of them. Of course, the American Woolen Co. accepts collective bargaining.

Chairman WALSH. What form of it, please, if you have it in mind?

Mr. BABSON. The representatives of the employees and the representatives of the management get together and decide on certain scales of wages.

Chairman WALSH. What form of organization have the employees in the American Woolen Co.?

Mr. BABSON. Why, they have two forms; the Federation of Labor and the I. W. W.

Chairman WALSH. Do they deal with both of those organizations at the present time?

Mr. BABSON. Well, in one way I should say yes. They deal with the Federation of Labor, but not with the I. W. W.'s.

Chairman WALSH. Now, has that changed attitude of the past 10 years come on account of the assumption of the spirit of it voluntarily by these corporations, or has it come from a public demand or from organization of the employees?

Mr. BABSON. Why, I think it has come from all three, Mr. Walsh. I think it has come from all three. The organization of the employees has helped to a certain amount. On the other hand I do not think that the labor union does for the men what they think it does for them. I think that it is public sentiment that has been a factor. I think corporations are getting to have more sense about those matters and see that their interests are bound up with the interests of labor, and that for capital to be secure labor must be contented.

Chairman WALSH. In your opinion does the development of these very large corporations increase or decrease the desirability of the organization of the employees and of their representation in the determining of labor policies?

Mr. BABSON. Increase.

Chairman WALSH. And it has increased the desirability?

Mr. BABSON. Yes, sir; increased the desirability. That is, you are talking from the labor man's standpoint?

Chairman WALSH. From the laboring man's standpoint.

Mr. BABSON. Yes.

Chairman WALSH. Why does it?

Mr. BABSON. Well, Mr. Walsh, because—if everything was left to act in accordance with supply and demand there would be no need of any kind of a combination, and we would all be a good deal better off without labor unions, trusts, or anything of that kind. But so long as one side organizes, it seems to me—or concentrates itself—absolutely necessary for the salvation of the other side to do the same thing.

Chairman WALSH. Then that leads to the question, Is it equally desirable or it it not, to the employer, as the corporation goes and becomes more highly concentrated, to deal with labor organizations rather than individuals?

Mr. BABSON. Why, I think so; yes; I think it is a much more efficient way to do.

Chairman WALSH. I was going to ask you why?

Mr. BABSON. I would like to say that labor at present stage is simply warfare, and it is manifest to say this is not a business thing for labor to do, and the labor leader will come to me and say, "Here, this is not a business thing for capital to do." Well, now, in my mind I feel that neither are working from a business point of view to-day in relation to the other any more than England and Germany are working from a business point of view. It is warfare, that is what it is. And consequently the questions of efficiency and what is best are secondary matters.

Chairman WALSH. In the compilation of the facts for your reports have you made a study of profit sharing as it is developed in the United States?

Mr. BABSON. Yes, sir.

Chairman WALSH. In the majority of cases of profit sharing which have come under your observation and study, do you consider that they represent genuine attempts to give the employees a greater share in the earnings of the company, or otherwise?

Mr. BABSON. I think that a few of them do; some of them are given to the employees in the place of quieting powders, if I may use the expression.

Chairman WALSH. Can you indicate to the commission or offer a significant industry that now indulges in profit sharing with their employees where you believe that it is a genuine attempt to give the employees a greater share of the product of its labor?

Mr. BABSON. I think the plant in my town—the next town to me, Framingham, the Dennison Manufacturing Co., presents an exceedingly good plan of profit sharing.

Chairman WALSH. Can you present to us here now the general details of that plan and organization, beginning with the products of the company, what it manufactures, and go down through the number of employees, and then the methods of profit sharing, and how long it has been in vogue, and how it has worked out.

Mr. BABSON. Well, very briefly, the situation is this: I am referring to the Dennison Manufacturing Co. that manufactures these tags and fancy paper.

Chairman WALSH. Paper boxes?

Mr. BABSON. Yes; paper boxes. For about 25 years that corporation was controlled from an office building here in New York.

Chairman WALSH. How large a corporation is it, approximately?

Mr. BABSON. They have about 1,500 men, men and women.

Chairman WALSH. Have they a plant or plants elsewhere than in Framingham?

Mr. BABSON. No. They have about 1,500 men and women. And it was a very close corporation up to a few years ago when the president died. The president was a very able—he was a very able standpatter. He had one daughter.

Chairman WALSH. Was he the founder of the concern?

Mr. BABSON. No; the founder was Dennison.

Chairman WALSH. Was he a descendant of Dennison, a relative?

Mr. BABSON. No; he was a man that went in as a salesman in the office, as a salesman. Dennison was the manufacturer, and this man was the salesman. That is another thing. It is the salesman, it is the man who can handle the selling end of these industries that control them, and not the men who manufacture the goods. It is easy enough to get a man to manufacture goods, but it is another thing to sell goods. I have been very much interested in my study of this corporation to see that it is the selling end that really controls and not the manufacturing end.



Chairman WALSH. I believe I interrupted you. Just go ahead with the organization.

Mr. BABSON. This man had an only daughter. She always took a great deal of interest in working conditions. The first time I heard of her she was being arrested by you people in New York here for speaking to working people on the street corner. Of course, she and her father did not get on very well. He was a standpatter of the most standpat type, and she was contributing, she was contributing from her allowance to help the I. W. W. cause, and was helping the working people and speaking on street corners here in New York City. And unfortunately, or fortunately for Framingham, the old man died. She woke up one morning and she had control of that industry.

Chairman WALSH. What was the capitalization?

Mr. BABSON. I don't remember.

Chairman WALSH. Approximately?

Mr. BABSON. Oh, around two or three millions. Hold on. I can find out exactly for you.

Chairman WALSH. Good.

Mr. BABSON. Four million five hundred thousand dollars, sir. And of course, she was between the devil and the deep blue sea. She had been preaching—

Chairman WALSH. Do you understand that the lady was the sole owner?

Mr. BABSON. She had the controlling interest. There were a number of minority stockholders. She was the controlling interest. And she also was an absentee owner, and her husband is a famous surgeon here in Brooklyn. And she wanted to do something for those employees. So she called in certain experts and they went over the situation, and this is what she did. She had the property appraised, the actual physical property. And then she took the preferred stock for the appraised valuation, for the actual tangible valuation of that property. Then she took 200 of the oldest employees, really the heads of each family that drew over \$100 a month—there were about 200 of them—and presented them with the common stock of the company in proportion to their salaries. And just told them to go to it; that she could not run it down in Brooklyn; that they had been there all their lives and that they knew more about it than she knew about it. And each year when the trial balance is taken, after the bills are all paid, a certain amount is set aside for depreciation, she takes a percentage, which is her dividend on her preferred stock, and the other preferred stockholders have their dividend, and then the balance is divided up among these employees in the form of industrial partnership stock. She does not give them cash, because she wants the business to grow.

Chairman WALSH. This same 200?

Mr. BABSON. Yes; although each year it is being added to, of course. She started with about 200, and these men actually control this industry so long as they pay dividends in the preferred stock, and they actually have all the excess earnings, only instead of having it in cash they have it in this industrial partnership stock. Of course, the second year they receive dividends from this industrial partnership stock, which gradually increases. That is a real profit sharing.

Chairman WALSH. They have a right to sell industrial partnership stock, have they?

Mr. BABSON. They have—no, sir. She worked that out in a very interesting way. When a man leaves the employ of the company the company has the option of buying that stock back at appraised value, or giving the employee a second preferred stock which comes in between her stock and the stock of the active employees, which carries the market rate of dividend but no vote.

Chairman WALSH. How long has that been in operation?

Mr. BABSON. About four years, sir.

Chairman WALSH. How do the other employees get into the sharing of the profits—the other 1,300?

Mr. BABSON. By increasing their efficiency so that they will go in; so they will have—every family will earn \$100 a year, and by increasing their salary, by increasing their efficiency by supply and demand.

Chairman WALSH. Who determines that?

Mr. BABSON. Well, who determines yours? I mean, by supply and demand determining the salaries.

Chairman WALSH. No; I mean who determines the rate, or is there an organization; first let me ask is there any organization in the factory?

Mr. BABSON. Why, very mild, practically none.

Chairman WALSH. What is the organization; what sort of workers are they?

Mr. BABSON. Why, there are printers, I think, for instance; the printing

department is organized as I remember. Other departments—most of the departments are not organized. Certain departments, perhaps the steam-engineering department, will be organized, but as a rule the plant is not organized.

Chairman WALSH. Is this lady still the principal stockholder?

Mr. BABSON. Yes, sir.

Chairman WALSH. I have been asked to get her name. What is her name?

Mr. BABSON. Her name is Wabash.

Chairman WALSH. Do you know of any other instances of profit sharing in the country—

Commissioner O'CONNELL. Before you get away from that, I did not quite catch that. Did I understand the employee must first work and earn \$100 per month before he or she enjoys the profit?

Mr. BABSON. That is the rule. There are exceptions to that, where, for instance, a man has a boy, and the man and the boy together may earn \$100 a month—a miner boy. But nobody can demand a part unless they earn \$100 a month.

Chairman WALSH. Have you any idea—

Mr. BABSON (interrupting). Her idea is to gradually decrease that, and she did not want to do anything rash. It was quite a move, to turn the control of that big corporation over from 1 man over to 200, but that was her first move. Now her idea is to gradually decrease or limit and take more and more in every year.

Commissioner O'CONNELL. Have you any idea what the month's earnings of the employees are?

Mr. BABSON. Of all the employees?

Commissioner O'CONNELL. I do not mean the total, I mean the average employee, individually?

Mr. BABSON. Well, the 1,400 employees—200 of them get more than \$25 a week. I should say that the average earnings were from \$14 to \$18.

Commissioner O'CONNELL. They would require 30 to 40 per cent increase in wages then before they would come to this—

Mr. BABSON. Yes; but why should they? I say there is the point in this profit sharing. I say that is profit sharing against these schemes which are not profit sharing. There are one or two concerns—a concern like the Alpaca Co. up in the western part of Massachusetts which simply arbitrarily divides one-half of its profits among its men and its employees and one-half to its stockholders. I do not call that profit sharing; I call that giving the employees a certain amount of money. It does not depend at all upon their ability. It does not depend at all upon their efficiency. There is no incentive there to speak of. Now, I don't believe that the man who, as a rule—the man in a mill who works at a machine, or who works at a bench, I do not believe that he is a factor in the profits, as a rule. Now, if he is not a factor in the profits, then I fail to see where he is entitled to any share of the profits; he is entitled to a wage; he is entitled to a good wage; but when he gets that wage I think that that is about all he should get—I think that is about all he really deserves.

Commissioner O'CONNELL. You think, then, the man or woman working—

Mr. BABSON. Profits are made by brains, not brawn.

Commissioner O'CONNELL. You think a man or a woman who is earning \$14 or \$16 or \$18 a week does not contribute to the profits?

Mr. BABSON. As a rule, I say. Of course, there are exceptions; but, of course, that man who is the exception can very quickly get out of that manual-labor class into the profit-sharing class.

Commissioner O'CONNELL. Now, then, do I understand that the manual-labor class is not sharing in the profits, but some other class?

Mr. BABSON. No; she had to have some method of drawing the line. She could not turn that control over to 1,400 people and tell them to go to it. She had to get at this thing gradually. Now, I know her idea was to take these 200, for illustration, all that earned \$25 a week and over, and let them operate the business. Now, those men get their wages and the other men get their wages. They get the same wages—all the people in that mill get the same wages as they do in every other mill in Framingham or in the State of Massachusetts in that class of business. They get their wages according to the law of supply and demand. And this 200, which amount is always increasing, they, in addition to their regular wage, also get the profits. Now, I think that where the profit-sharing plan has got in wrong is by mixing it up with wages. I think that

wages are one thing and profits another, and that profit-sharing will never come to its own until we fearlessly and frankly recognize the difference.

Commissioner O'CONNELL. I take it, then, that those who share in the profits now are largely the superintendents of the plant?

Mr. BABSON. Foremen, designers—a designer—for instance, engraver—the man who thinks of these little things that you buy for Christmas—

Commissioner O'CONNELL (interrupting). But profit sharing in that plant has not reached the real producer in the plant that is doing the work?

Mr. BABSON. Well, the real producers—how much would he produce if you eliminated that 200?

Commissioner O'CONNELL. I am not asking that—

Mr. BABSON. I object to the words "real producers." "Real producers"—I will answer that, if you ask for the question, but profit sharing has not reached the 1,200—the submerged 1,200. I say yes to that, but I do not believe that the submerged 1,200—

Commissioner O'CONNELL (interrupting). Let me ask you this, please? If those in that plant where this has been put into effect—those who are earning below the required \$25 a week or whatever makes up the \$100 a month—if they had, through this efficiency and this superintendence, increased their output and efficiency very materially, but not sufficient to be yet within the \$100 a month class, wouldn't they be entitled to something for the extra efficiency?

Mr. BABSON. They get it through increased salaries. Oh, that is another thing I want to say about that plan and business.

Commissioner O'CONNELL (interrupting). What arrangement have they for increased salary? Have the employees anything to say? Do they meet their employers?

Mr. BABSON. Yes; the two work together, committees from both parties.

Commissioner O'CONNELL. Then, how could they have committees if the people are not organized?

Mr. BABSON. And they have another thing—a great many are on piecework.

Commissioner O'CONNELL. But you say the plant is not organized. How do they have committees?

Mr. BABSON. Well, this is a case of identity of interests, where the people are living in the same town—all know each other; the workman and foreman go to the same church and sit in the same pew and live next door to one another, and their children go to school together. I tell you that makes a great deal of difference. That is the nut of the whole thing.

Commissioner O'CONNELL. Probably they might settle those things in a pew in church, but I would rather settle them in the factory.

Mr. BABSON. Well, you might better if you had them settled in church.

Commissioner O'CONNELL. Probably, and I might say probably it might be so in this case. Does this common stock you spoke of pay any dividends?

Mr. BABSON. Yes.

Commissioner O'CONNELL. How much?

Mr. BABSON. Pays 6 per cent dividends.

Commissioner O'CONNELL. Now, as I understand you—

Mr. BABSON (interrupting). It is called industrial partnership stock.

Commissioner O'CONNELL. As I understand you, when they organized they put under the preferred stock all the physical value of the property.

Mr. BABSON. Yes, sir.

Commissioner O'CONNELL. And then issued common stock?

Mr. BABSON. Yes, sir.

Commissioner O'CONNELL. What does that common stock represent, then?

Mr. BABSON. It represents the increased value of the plant from the day she turned it over to those men. In other words, the day she turned it over there was simply one share apiece—I think when they incorporated the common stock it amounted to a thousand dollars.

Commissioner O'CONNELL. How much common stock was issued?

Mr. BABSON. Why, only just about a thousand dollars—just enough to give each of these 200 persons a certificate.

Commissioner O'CONNELL. But the certificate really represented nothing of physical value?

Mr. BABSON. Well, there is only a thousand dollars' worth of it.

Commissioner O'CONNELL. But suppose that goes on over a month, and more and more is issued?

Mr. BABSON. Well, there are earnings coming out of the plant. They are making earnings in excess of the dividends on the preferred stock. See? Now,

that goes back into the plant to buy more machinery with, to build an addition; and industrial partnership stock is issued to the amount of that each year—to the amount of the capital stock put back into the plant. If you don't get that clear I would like to make it clear.

Commissioner O'CONNELL. I think I get it.

Mr. BABSON. Because I think that is one of the finest instances of profit sharing in the country to-day.

Commissioner O'CONNELL. But you say there are only there a small percentage of the employees of that concern—

Mr. BABSON (interrupting). Yes; but it has only been going on four years.

Chairman WALSH. What has been the increase in the number of participants in the profit sharing in the four years?

Mr. BABSON. Well, I think about 20 per cent. I think that you will find, before long, that she—that they will reduce that limit; but as a good many manufacturers are praying and hoping that the Dennison Manufacturing Co. will bust up, why, she is going to be very careful not to have it do so; and consequently she is working slowly and conservatively. But I think the principle there is absolutely sound.

Chairman WALSH. Have you made a study of the profit-sharing scheme in any other plants in New England?

Mr. BABSON. Well, yes; we have made a study of several. I feel that—I divide them all into groups, Mr. Walsh. One group is mechanical profit sharing, whereby a certain portion of the earnings is divided up among the men irrespective of their efforts. Most profit-sharing plans partake of that system. I do not believe that those are profit-sharing plans in the proper sense. I do not believe they will succeed. They are unsatisfactory to labor, and they are unsatisfactory to capital. They are of use to quiet labor; they are of use for advertising purposes; they are of use for temporarily—for carrying the situation over a temporary peak. But it seems to me that profit sharing, to be successful, must be real profit sharing, and that after capital has received its market rate of dividends, and the wage earner has received his market rate of wage, and the market rate has been paid for the rent and copper and iron, then that the excess of profits should be divided according to who earned them. That is profit sharing.

Now, if they are earned by the man at the bench, as my friend here suggests, he should have it; but if they are earned by the selling department, the selling department should have it. If they are earned by the stockholders through putting out more money and developing and putting in new machines, the stockholders should have it. They should go to where they belong. Now, that is profit sharing; and that will command the respect of capital and labor. That is real profit sharing. Some day that is coming. But the ordinary, so-called profit-sharing plan just simply says, "We will give labor a certain percentage and capital a certain percentage, and we will divide this thing up," in a mechanical way, and there is nothing to it. I believe it will be a boomerang to capital and labor both.

Commissioner LENNON. Let me ask this, and see if I understand. Do you contend that brains, and not labor, are the cause of profit in industry?

Mr. BABSON. Profit—not income; profit—not income.

Commissioner LENNON. Well, in other words, aristocracy, and not democracy, is the cause of profit in industry, and not the common man and common woman?

Mr. BABSON. Well, it is according to what you call common. If a man was limited to work at the bench, if that was the only thing he could do, then I would agree to your proposition; but the man at the bench is entitled at any time to become foreman, and to come up into the brainy class; but so long as he stays at the bench and has not brains enough to come up into the other class, why, he should be satisfied with wages.

Commissioner LENNON. Are there positions of that character commanding \$100 a month for the entire 1,400 in that industry?

Mr. BABSON. No, sir; but there is no reason why that \$100 a month—I don't see why that bothers you so—that \$100 a month can be reduced. It was a very bold experiment—

Commissioner LENNON (interrupting). Well, if you had said \$10 a month, I would have asked the question that way.

Mr. BABSON. It was a bold experiment for her to perform, and she wanted to go slowly and surely.

Commissioner LENNON. What opportunity for profit would there be for these 200 or 100 or whatever the number may be that come under this scheme if

the rest of the 1,400 would quit the factory and there was no one to take their place?

Mr. BABSON. Why, they would go out and get 1,200 more.

Commissioner LENNON. Well, suppose they could not get them?

Mr. BABSON. Why, they could. It is simply a question of wages. They would get them just the same as they get copper or paper or ink or anything else they buy, and pay the market wage.

Commissioner LENNON. Does this firm—this manufacturing company—in selling their goods—are they governed by what is known as the law of supply and demand?

Mr. BABSON. Yes.

Commissioner LENNON. In all cases?

Mr. BABSON. Yes.

Commissioner LENNON. They have no monopoly of the business?

Mr. BABSON. No, sir.

Commissioner LENNON. How about the American Woolen Co.?

Mr. BABSON. The same; they have no monopoly of the business.

Commissioner LENNON. I have been in that business a lifetime—not in the manufacturing, but in the handling of woolen goods.

Mr. BABSON. Well, what would you say?

Commissioner LENNON. Well, I would say they have a monopoly, or almost a monopoly; but we are not here to argue that. Have you any idea as to whether the classification of labor as being governed by the law of supply and demand like coal and iron and other commodities without life is a cause of social unrest?

Mr. BABSON. No, sir; I think that is inevitable. I think that wages must be a matter of supply and demand just the same as coal and iron, and that is where nine social workers out of ten make a mistake.

Commissioner LENNON. Well, thank God, there are some making mistakes.

Mr. BABSON. Yes. But I shall be very glad to go into that more fully, because I think that is a very important factor.

Commissioner LENNON. Well, do you believe what is termed the law of supply and demand should apply to labor?

Mr. BABSON. Absolutely; absolutely. I do not see why—

Commissioner LENNON (interrupting). Why?

Mr. BABSON. Do you believe that the law of gravitation should apply to labor? That is the question. What would you say to that?

Commissioner LENNON. Why should the law of supply and demand apply to labor where it has to do with so many elements that do not enter into the question of the sale or the purchase of commodities? It has to do with the human life, with the religious life; it has to do with everything that goes to make men and women—the right kind of men and women. Now, should they be governed by the same laws as coal or iron or other commodities?

Mr. BABSON. Well, I am willing to say, if you wish me to, that they should not be; but I say they must be. There is no chance for argument on the matter. It is inevitable. The law of supply and demand absolutely fixes it. Now temporarily the thing can be got over, but the reaction, it seems to me, is inevitable. It is too bad that when you stick your hand in the fire it burns. I am willing to say it should not burn, but it does.

Commissioner LENNON. Are you aware of the fact that the Congress of the United States recently passed a law which declares that the labor of a human being is not a commodity?

Mr. BABSON. Yes; but Congress might pass a law that water should run up hill, but that would not make it.

Commissioner LENNON. Well, it might. But I want to ask you a few other questions. You spoke—

Mr. BABSON (interrupting). I might—excuse me.

Commissioner LENNON. Oh, go ahead; go ahead.

Mr. BABSON. I might say that the English Government—English Parliament—passed those same laws 100 years ago.

Commissioner LENNON. They did?

Mr. BABSON. Yes, sir; and found they did not work. They tried to fix prices and tried to fix labor prices. That was all gone through.

Commissioner LENNON. Did that have anything to do with the question of the law of supply and demand applying to labor?

Mr. BABSON. Yes; they tried to suspend the law of supply and demand.

Commissioner LENNON. Didn't they try to fix it?

Mr. BABSON. Tried to fix it by those laws, and the British workingman rebelled against it until they mitigated it to a very great extent.

Commissioner GARRETSON. Ask him if they have passed one within 100 years, or three times that.

Commissioner LENNON. Yes—well, you spoke in reply to some of the questions as to the treatment of labor being a matter of indifference to the directors—that it was not because of enmity or anything of that kind; it was simply indifference. What right has a board of directors to be indifferent to the greatest element that has had to do with productive industry, any more than any other element of the industry?

Commissioner WEINSTOCK. I think he said financial interest.

Commissioner LENNON. I think he said directors.

Commissioner WEINSTOCK. Do you say directors or financial interests?

Mr. BABSON. Financial interests.

Commissioner LENNON. Oh, financial interests. That is all I care to ask.

Chairman WALSH. I have a few questions handed up that I would like to ask. Have you made any detailed examination of the Henry Ford plan at Detroit?

Mr. BABSON. Yes; I was out there last week.

Chairman WALSH. Just describe that plan, what it is and how it works out.

Mr. BABSON. Well, it is not a profit-sharing plan in any sense of the word; and Mr. Ford always objects when that phrase is used. As he told me the story, briefly it is this: That for the last 10 years he has been playing the game for capital—up to a year ago he played the game for capital. He felt that it was a question that the development of his business depended on securing capital, and that he saw that the way to secure capital was to make earnings, and so he played the game for capital up until a year ago this January. Then he said the question came to him, whether he should stop and be contented because he had more than he could use, or whether he should start in to play the game for labor; and he decided that he would continue to play the game, but would play it for labor for awhile, and instead of stopping when he was making these certain earnings, as the average corporation does, and letting the management stay as it was and using the same old machines and so forth, why he simply kept on putting in new machinery, kept on developing efficiency, kept on developing his management with the laboring man in view. Now, he said, "I am going to play the game for labor 10 years, and then I will install a system of profit sharing. But when I install profit sharing, after every man gets \$5 a day so he can be happy and comfortable and well—when I install that system of profit sharing the profits are going to the man who earns them; and if some man in my advertising department gets a design or makes a design or writes an ad. that makes for me a big sum of money he is going to have a big share of those profits. If some fellow down on the bench invents a machine which creates a big saving, he is going to have a big share in the profits. In other words, I am going to put a statistical organization on this business when I get through with the present plan and find out who makes the profits and then we will have a profit-sharing plan."

Now, I think we will be going at it differently than my neighbors in Framingham, but the fundamental principle would be the same.

Commissioner O'CONNELL. I just want to follow that up, Mr. Chairman. You say when they get \$5 a day. Would that imply they are not now getting \$5 a day—his employees?

Mr. BABSON. Not all of them.

Commissioner O'CONNELL. It is the general impression and general rumor that Ford simply raised everybody's wages to \$5 a day.

Mr. BABSON. Not all of them; about half of them, I guess, or two-thirds.

Commissioner O'CONNELL. Did you compare with any of the workmen while you were there?

Mr. BABSON. Not directly; but I have a man who represents me in Detroit, and he has.

Commissioner O'CONNELL. You did not get the impression of the workmen there—

Mr. BABSON (interrupting). Not personally, but I have a man in Detroit who represents me there all right.

Chairman WALSH. I have two other questions that have been asked me—

Mr. BABSON (interrupting). But the point I want to make is that it should not go down as a profit-sharing plan. That is a name that my friends in the orchestra have given it, but that is not the name at all. He always objects to the name.

Commissioner O'CONNELL. We are going to have Mr. Ford here before us.

Mr. BABSON. You are going to have one of the best men in the United States before you.

Chairman WALSH. If there were more jobs than men, would not labor be in a better position to get a fair share of the products produced under the law of supply and demand?

Mr. BABSON. Just read that again, please.

Chairman WALSH. If there were more jobs than men, would not labor then be in a position to get a fair share of the products produced under the law of supply and demand; that is, if there were more jobs than men?

Mr. BABSON. They would get higher wages.

Chairman WALSH. Then they would get closer to what they produced?

Mr. BABSON. Why, no; because prices would be higher. I don't think they would have any more left at the end of the week. That is where your supply and demand comes in again.

Chairman WALSH. Does land kept idle in this country for speculative purposes affect the demand for labor in your opinion?

Mr. BABSON. I suppose a single taxer asked that question, and to make him happy I will say yes.

Chairman WALSH. Well, to make him miserable, would you say no, or is that your opinion?

Mr. BABSON. Why, I think it is—

Chairman WALSH (interrupting). Is that your opinion from your study of economics?

Mr. BABSON. Why, yes; I think it is. Of course it would make more jobs. There is where the trouble is. Your supply and demand comes in again. It would make more jobs, and in that way it would help labor.

Chairman WALSH. Did I understand you to give out as a fact that—just one other question—that a man is comfortable and well when he gets \$5 a day?

Mr. BABSON. No.

Chairman WALSH. Depends on the man?

Mr. BABSON. Yes.

Chairman WALSH. Commissioner Weinstock wants to ask you some questions.

Commissioner WEINSTOCK. In the case of this enterprise conducted by Mrs. Wabash, did she convert it from sole ownership or from strictly private ownership to a cooperative system as a matter of philanthropy or as a matter of good business?

Mr. BABSON. Good business. She does not believe in philanthropy, nor I do not. Just good business.

Commissioner WEINSTOCK. That is, if it was to be purely a question of philanthropy—

Mr. BABSON (interrupting). It would fall.

Commissioner WEINSTOCK (continuing). It would not likely be followed by others.

Mr. BABSON. No; and it would fall.

Commissioner WEINSTOCK. But if it could be demonstrated to be good business, then there would be the reasonable likelihood of its being followed by others?

Mr. BABSON. That is her hope, sir.

Commissioner WEINSTOCK. Now, in making this change, did she make any sacrifice of individual profit to bring about the change?

Mr. BABSON. I don't think so.

Commissioner WEINSTOCK. Or is she getting as much out of that enterprise as she did before?

Mr. BABSON. I should say that so far as her interest—this is just the answer to that question—I should say so far as the income on her investment goes she is getting just as much, only she is not getting the advantage of that unearned increment which has taken place since her father died.

Commissioner WEINSTOCK. Then she has made a sacrifice of that unearned increment to that degree. Then she has been a philanthropist.

Mr. BABSON. Well, that is a good deal the way some of these men talk about profits they have lost which they might have got.

Commissioner WEINSTOCK. Well, this is a concrete case.

Mr. BABSON. Well, on the other hand, if she had run it from Brooklyn the thing might have been in bankruptcy now.

Commissioner WEINSTOCK. Then she did it in the nature of insurance?

Mr. BABSON. A very good word; a very good word. And I think it would be a very good thing for corporations to insure against labor troubles by giving employees some representation on their boards, as well as to insure against fire and cyclone and everything else.

Commissioner WEINSTOCK. Now, do you know, Mr. Babson, whether, since this system has gone into operation, whether the profits of the business as a unit have increased or decreased?

Mr. BABSON. They have kept just about the same; they have increased if anything. Of course, business conditions have been poor since that time, but they have increased.

Commissioner WEINSTOCK. Now, the purpose of the system, as I understand it, is to let those who actually produce the results share in them?

Mr. BABSON. Over and above their wages. You understand they all receive wages—the bookkeeper, the treasurer, all have their regular wage.

Commissioner WEINSTOCK. Yes; but they get a share in the increased earnings produced by their efforts?

Mr. BABSON. Yes, sir.

Commissioner WEINSTOCK. Do those shares become their absolute property?

Mr. BABSON. Yes, sir. When they leave the employment of the company they simply lose their vote on those shares, but they get better security; they get second preferred stock instead of common stock.

Commissioner WEINSTOCK. If this principle is a good principle and the system is a good system, it must be a system that perpetuates itself indefinitely?

Mr. BABSON. Yes, sir.

Commissioner WEINSTOCK. How will this system perpetuate itself indefinitely when the 200 stockholders who hold that stock to-day pass away and leave it to their heirs?

Mr. BABSON. There would be no vote.

Commissioner WEINSTOCK. They would get the earnings just the same, would they not?

Mr. BABSON. The company has the option of calling that in.

Commissioner WEINSTOCK. Supposing the heirs refuse to sell?

Mr. BABSON. They can not.

Commissioner WEINSTOCK. The heirs can not refuse to sell?

Mr. BABSON. No, sir; they must sell at a price if the company wants them to.

Commissioner WEINSTOCK. The company reserves the option to purchase it?

Mr. BABSON. Or gives them the second preferred.

Commissioner WEINSTOCK. And in that way they help perpetuate it?

Mr. BABSON. The practice, I understand, is this: If the heirs live in Framingham they let them keep it; if they live in New York they take it away from them.

Commissioner WEINSTOCK. They give them the stock with a string tied to it?

Mr. BABSON. I do not object to a string being tied to anything I get good gold for. I call it a good string, a golden string.

Commissioner WEINSTOCK. In the early part of your testimony, Mr. Babson, you pointed out that strikes and lockouts, as a rule, occurred where there is absentee ownership?

Mr. BABSON. Yes, sir.

Commissioner WEINSTOCK. That where the founder of the business, or the man who actually operates the business, stays with the business, the probability of strikes is minimized?

Mr. BABSON. Yes, sir.

Commissioner WEINSTOCK. How do we reconcile that opinion of yours with the fact that in numerous industries, let us say in the cloak industry, in the garment industry, in the building trades, in the shoe industry, where the business as a rule is under the direction of the owner, there have been very, very great strikes and many strikes?

Mr. BABSON. Was that the man who created the business, or his son?

Commissioner WEINSTOCK. As a rule you will find the cloak industry operated by the founder of the business. It is the exception, so far as I know, for the contrary to be the case, and I know the conditions fairly well.

Mr. BABSON. I said the industries we examined. Take the building industry, they are operated by contractors. Take the cloak industry. Don't you suppose you would find that the strike began in some instances where it was being operated by the children or by a corporation; that it began there and then sprang to the other through a sympathetic strike?



Commissioner WEINSTOCK. No; I was told only last evening—this is for your information—by a very intelligent worker in the garment trades, that the difficulty is not with the large employers; that the large employers in the industry as a rule give the maximum wages and have the minimum number of hours and the good working conditions; that their problem is to deal with the small employer, the more or less irresponsible employer who exploits the workers rather than the large employers.

Mr. BABSON. I will tell you how that strikes me. When a man comes to me and says that he works for an automobile company, a great big company, and that he is tied down in his wages, I am apt to sympathize with him, because I know it requires great capital to start an industry like that, and that he has got to work for somebody else; but when a man comes to me who works for one of the small concerns and tells me his tale of woe, I do not take much stock in it, because I know that it does not take much capital to start a little business like that, and that if that man really had the brains he would go out and start up for himself.

Commissioner WEINSTOCK. Well, but the fact remains, Mr. Babson, that everybody can not have sufficient brains and sufficient ability and sufficient aggressiveness to start out for himself, because if they did there would be no wage earners; everyone would be an employer.

Mr. BABSON. Some one has to be satisfied with the leavings, that is all; you can not have your pie and eat it too. There is where the law of supply and demand comes in, you can not get over it.

Commissioner WEINSTOCK. Well, the point I want to make clear—I do not know whether I have made it clear or not—was the discussion of the issue or the statement that you made, Mr. Babson, that it is the large enterprises where the great difficulties are met with—

Mr. BABSON (interrupting). I beg your pardon, I did not mean to say the large industries, but the industries operated from office buildings and the industry inherited from father to son.

Commissioner WEINSTOCK. Owned by absentee owners?

Mr. BABSON. Yes. I do not think it is a question of large or small concerns. Greatness is not a sin and success is not a sin. That is the mistake being made in Congress. We should not consider whether a company is great or small, whether a man is rich or poor; the question is what he does.

Commissioner WEINSTOCK. That is, the issue is not with the rich but with the predatory rich?

Mr. BABSON. And the "would be rich."

Commissioner WEINSTOCK. Our friend to the right says that takes us all in.

Chairman WALSH. Commissioner Ballard wants to ask a question.

Commissioner BALLARD. In this industry you speak of where they had 1,400 employees and 200 were selected to put on this so-called profit sharing or stock basis, would it not be the disposition on the part of those 200 to hold the other 1,200 down and not raise their wages, so that they might not become in the two-hundred class and become stockholders? Don't you think that those 200, while they were in the same class as the others, might be unselfish; that after they became owners of the stock they would become selfish and hold the others down as they were held down originally?

Mr. BABSON. I do not think so, for two or three reasons. One is that there are other manufacturing plants all the time bidding for Dennison men, and if they did anything like that they would lose their best employees and the business would go to pieces. These men are mobile, and the question of supply and demand comes in again. Any man that is any good has an ambition to get into control, and, by the way, I do not believe that labor is fighting for wages. I believe it is fighting for a share of the control, and I believe that has got to be recognized. That is the ambition of the people in Framingham, to come in on that industrial partnership stock, and if there was the slightest suspicion that there was any discrimination against them there would be a riot there.

Commissioner WEINSTOCK. Just one more question: Following out that line of reasoning, Mr. Babson, that was started by our friend on the left, is it not a fact that in proportion as more employees get into that preferred class of workers, the dividend sharers, that the stock is watered and the dividends per share become diminished? In other words, if the amount of stock issued to-day were doubled to-morrow the dividend per share would be cut in two, would it not?

Mr. BABSON. But if that represents real money—I should say it is not what we call watered stock if it represents real money.

Commissioner WEINSTOCK. Let us assume that it does represent real money, the dividends per share would naturally diminish, would they not?

Mr. BABSON. Yes; but when that money goes back into the plant and addition is made to the plant and the working force is increased and there are no greater earnings per dollar invested, or per brick, or per employee—

Commissioner WEINSTOCK (interrupting). I have not made myself plain, evidently.

Mr. BABSON. Perhaps not.

Commissioner WEINSTOCK. Let me say it again. Let us say there are \$20,000,000 in dividends to be distributed among the common stockholders.

Mr. BABSON. I think there was \$160,000 last year.

Commissioner WEINSTOCK. Well, let us say there was 160,000 shares, then each holder of a share would get \$1 dividend?

Mr. BABSON. Yes.

Commissioner WEINSTOCK. But supposing that in the course of years that the earnings increased proportionately and there would be 320,000 shares of stock among which \$160,000 was to be distributed, that would cut the dividend down from \$1 to 50 cents?

Mr. BABSON. No; because there would be an additional amount of machinery, bags, and tags.

Commissioner WEINSTOCK. Your idea is that the volume of profits would proportionately increase?

Mr. BABSON. Yes, sir; to the amount of the stock.

Commissioner WEINSTOCK. Yet you tell us that the earnings of the business have not increased during the past four years.

Mr. BABSON. They have increased at a greater rate than the proportion of industrial stock has gone out.

Commissioner WEINSTOCK. They have increased?

Mr. BABSON. Yes, sir. Mr. Harry Dennison, the treasurer of that company, was the largest minority stockholder, and it would have been absolutely impossible for the plan to have been put through without him. He lives in South Framingham. He is the treasurer of the company, vice president of the Boston Chamber of Commerce, and is a hard-headed business man with convictions, and I strongly recommend that you have him here to tell the story.

Commissioner WEINSTOCK. What line of business are they engaged in?

Mr. BABSON. The Dennison tags, paper boxes, fancy paper, and it is a very difficult business. There are between seven and eight thousand different items on their catalogue; there is great detail in it.

Chairman WALSH. Commissioner Garretson wants to ask you a question.

Commissioner GARRETSON. You have gone back to Dennison. There is a question or two I would like to ask you about that. I do not know that I understood two replies you have made in regard to one question. Is the sum that is now paid in dividends by the Dennison Co., no matter who it is paid to, larger than it was under the old arrangement; and if so, it is appreciably larger?

Mr. BABSON. I should say it is the proportion larger that the money invested is larger.

Commissioner GARRETSON. How does the capitalization now compare with the capitalization that existed before?

Mr. BABSON. I said the money invested.

Commissioner GARRETSON. I know you did; but I am asking about the capitalization, without regard to the money invested. What is the capitalization now, as compared with what it was?

Mr. BABSON. I think it is a few thousand dollars less than now.

Commissioner GARRETSON. The only difference is the issue of this industrial stock. Is that the only difference?

Mr. BABSON. Practically, yes.

Commissioner GARRETSON. And the volume of dividends is proportionate to that increase?

Mr. BABSON. Yes; practically, I guess. The old gentleman was not very generous with his figures, and nobody knows very much what to place.

Commissioner GARRETSON. Was he more generous with his figures than he was with his money?

Mr. BABSON. He was not very generous with either, I guess. My experience is that the two go together very largely. That is another thing that corporations must learn—that publicity will not hurt them.

Commissioner GARRETSON. You objected to the use of the term a little while ago—"real producers."

Mr. BABSON. Real producers of profits. I think there is a producer of the commodity and, then, a producer of the profits. Now, without regard to whether the workman is entitled to credit for producing that commodity, the brains of that company are entitled to the profit made in the production of it.

Commissioner GARRETSON. Are you a believer that there is any monopoly of brains? You said something a few minutes ago to the effect that if a certain contingency arose it would probably start a riot on the part of the twelve hundred. The fact that they were fighting for control—is the fact that they were fighting for control an evidence of brains or not?

Mr. BABSON. I do not think there is a monopoly of brains, but there is a monopoly of opportunity. I think most everybody in this world gets about what they deserve, whether \$1 or \$100 a day. The great injustice is in the unequal distribution of opportunity—the fact that one is given an opportunity to make \$100 a day and the other only \$1 a day.

Commissioner GARRETSON. We will take the application of the old saw that has been dinned into every schoolboy's ears, that "there is room at the top." If all developed brains, would the crowd be at the top or at the bottom?

Mr. BABSON. I should say that the top would be crowded.

Commissioner GARRETSON. There would be no rooms for rent up there?

Mr. BABSON. I do not see any reason for expecting, under our economic condition, that the time will come when the man at the top will be paid \$2 a day and the man that sweeps the street will get \$25. It is a question of supply and demand.

Commissioner GARRETSON. If there is only a demand for so much brains—if they all had brains—the supply and demand would stifle the man with brains, except for the few opportunities offered?

Mr. BABSON. It should; because it then shows that the world demands another line of work.

Commissioner GARRETSON. Apply it to the world entirely.

Mr. BABSON. That seems to me the great doubt about socialism—that the thing has got to work out along the line of supply and demand, just the same in regard to people as in regard to commodities. The only way to keep people from making too much iron or copper or raising too much cotton is for the price of those things to go down, and the only thing that keeps everyone in this world from wanting to be a walking delegate or musician or reporter is the fact that the price of those things is going down.

Commissioner GARRETSON. Let me draw your attention to one thing to start with. I do not know that I am misunderstood or not; but, for fear that I am, I wanted to say that I am not a Socialist. I am not approaching it from that point.

Mr. BABSON. No one ever admits they are, but a very few. It has been my experience that when anyone is asked for a definition of a gentleman they give a definition that includes themselves; but whenever anyone is asked the definition of a Socialist he gives one that excludes himself.

Commissioner GARRETSON. In this matter of passing out ownership, you believe that the question of personal equation is a great factor in the matter of industrial control?

Mr. BABSON. Yes, sir.

Commissioner GARRETSON. I gather also, whether rightly or wrongly, that you are a believer that power and responsibility can not possibly be uncoupled, that responsibility goes with power?

Mr. BABSON. Yes, sir.

Commissioner GARRETSON. And that duties go with rights?

Mr. BABSON. Yes, sir.

Commissioner GARRETSON. And it is on that theory that you base your theory against the exercise of power by absentee owners?

Mr. BABSON. Yes, sir; and I might say that I am not posing as a philanthropist or a friend of labor. My income is derived wholly from the manufacturers. No labor organizations or employees of these factories subscribe for our services or buy our books. My income comes wholly from the manufacturers. Now, the reason for my testimony is that I believe it is good business to eliminate this office building control. I believe that investors—I believe that capital would be very much better off as well as labor.

Commissioner GARRETSON. May I ask you right there if the publications are available to representatives of labor that desire them?

Mr. BABSON. Yes, sir.

Commissioner GARRETSON. You may receive a subscriber?

Mr. BABSON. It will be appreciated greatly. If you had been a subscriber you must have known of these profit-sharing plans and you would not have had to ask these questions.

Commissioner GARRETSON. Have I asked a question about profit sharing?

Mr. BABSON. No.

Commissioner GARRETSON. You say the banker has no dislike for labor, that is generic. Is not the attitude of the average financial controller of an enterprise almost wholly based on the fact that he divorces himself from that phase of the question entirely and only deals with the dividend-paying feature?

Mr. BABSON. Yes, sir; I think so.

Commissioner GARRETSON. And leaves the other to his personal representative on the ground?

Mr. BABSON. Yes. I have always thought that if a director, for instance, of a corporation was obliged to go through the plant once a year, was obliged to visit in the homes of some of the employees, why it would solve a good many of the problems. Of course the average business man rides from his house to his office in a limousine, he goes to the elevator and up to his office and has his lunch brought to him, or goes to his club and he simply associates and talks with the people who represent his class.

Commissioner GARRETSON. He does not have an opportunity to see the other classes and has no real contact with them?

Mr. BABSON. No; instead of reading the American he reads the Evening Post. Now, I think that if we could only get the workmen to read the Evening Post and the employers to read the American, that would go a long ways toward solving this problem.

Commissioner GARRETSON. It would narrow the gap, you think?

Mr. BABSON. Yes.

Commissioner GARRETSON. The difficulty is, too, that he gets his actual information from his representatives and colored by his glasses?

Mr. BABSON. Yes, sir; but the point I want to make, Mr. Garretson, is that he comes to it unconsciously, that his heart is just as big as yours.

Commissioner GARRETSON. Certainly.

Mr. BABSON. It is due to his environment and his association, and not because he has anything against labor.

Commissioner GARRETSON. And I know people that would not charge him with enlargement of the heart, even in that case. In your opinion, Mr. Babson, do the great combinations of industry—well, do the large combinations give the greatest power, that is, the power of resistance, to the employer or employee?

Mr. BABSON. I do not just understand what you mean, Mr. Garretson?

Commissioner GARRETSON. I mean this: Do combinations enable the employer to combat labor more effectively in the formation of the combination than otherwise, or does it give labor an added power over the employer?

Mr. BABSON. I should think one would about offset the other. Of course theoretically if a corporation controlled an industry, why labor would be in a much weaker position to dicker with that corporation than if the industry was divided up among many corporations.

Commissioner GARRETSON. Because it had no other avenue of employment?

Mr. BABSON. Yes. On the other hand I think public sentiment comes in very strongly, and I think the big corporations, for fear of Government interference, are on their good behavior.

Commissioner GARRETSON. The moral force you think operates in favor of the employee?

Mr. BABSON. Yes, sir.

Commissioner GARRETSON. While the actual force is in favor of the employer?

Mr. BABSON. The theoretical force, I should not say "actual." I think as to the actual force, one about offsets the other.

Commissioner GARRETSON. Did I—one statement you made I may have misinterpreted. I rather gathered from the statements you made that you believed the present methods of dealing between employer and employee was rather opportunism and an ideal method?

Mr. BABSON. No; I think collective bargaining is the ideal method. I think the closed shop is a temporary warfare method. I think collective bargaining is the ideal method.

Commissioner GARRETSON. Will you define—

Mr. BABSON (interrupting). Hold on, let me finish—so far as wages are concerned. Now, it is the division of the profits that I am interested in. I think that labor in the way of wages, in most industries, is getting about what it is entitled to. I think it is a question of the division of the profits. It has happened that these things are always jumbled up together—wages and profits. Now, if I had the case of a labor union, I should distinguish between the two. I should come frankly to my employer and say, "Here, I want my wages fixed in accordance with the question of supply and demand; that is all I ask."

Commissioner GARRETSON. What would you supplement it with?

Mr. BABSON. "Then I want representation on your board of directors, and if we are a factor—to the extent that we are a factor in making the profit after the commodities, the capital, the rent, and so forth, have been paid their market rates—I want a share of those profits, but as profits and only as I am entitled to them."

Commissioner GARRETSON. Would you suggest to the representative of the laboring men, before walking into the company's board room to ask that, that he arm himself or how would he be received?

Mr. BABSON. I think if he put it up right he would get a hearing. The point is that he does not put it upon that basis. He does not say, "I want what I earn," but "I want so much whether I earn it or not," and that is where he makes his mistake.

Commissioner GARRETSON. Have you ever heard of a profit-sharing demand originating from the employee himself?

Mr. BABSON. Why, I do not know as I have.

Commissioner GARRETSON. I wondered if you had. I have dealt as a representative of laboring men for many years and I wondered if you had any knowledge of such a demand coming from the rank and file. The origin of all the present systems has been in the line of a palliative, as a rule.

Mr. BABSON. I agree with you on that.

Chairman WALSH. At this point we will stand adjourned until to-morrow morning at 10 o'clock sharp, and you will please return to the stand, Mr. Babson.

Mr. BABSON. I am very sorry, but I have an appointment in Philadelphia at the city hall there to-morrow morning at 10 o'clock.

Commissioner GARRETSON. I have only a couple of question to ask Mr. Babson.

Mr. BABSON. I can stay until 6 o'clock to-night, but to-morrow I have an appointment in Philadelphia, and on Wednesday I sail for South America.

Commissioner GARRETSON. In regard to the Ford proposition, you stated that Mr. Ford rather disliked it to be referred to as profit sharing?

Mr. BABSON. Yes.

Commissioner GARRETSON. Is it not a fact that his plan takes into consideration nothing but the distribution of profits—no capital invasion?

Mr. BABSON. Yes; but I think it is a question of minimum wage in his case; I think "minimum wage" would express it better.

Commissioner GARRETSON. But the question is that the money only comes from the profit from the business?

Mr. BABSON. Where could money come from in any business?

Commissioner GARRETSON. I say no invasion of his capital is to be considered?

Mr. BABSON. All wages come from profits, I think.

Commissioner GARRETSON. Sometimes on a losing game they do not.

Mr. BABSON. On a losing game how are there any profits, will you tell me that?

Commissioner GARRETSON. That is what I say, then, it comes from the capital until the business is wiped out or closed up. Now, in regard to the English enactments, is it not a fact that there has not been an English enactment since Elizabeth covering wages?

Mr. BABSON. I don't think Elizabeth's time.

Commissioner GARRETSON. And from Edward III to Elizabeth is 300 years, and was not their first enactment following the Black Death, when there was a scarcity of labor?

Mr. BABSON. My idea is there were enactments along from 1810 to 1830—that is my recollection.

Commissioner GARRETSON. Not as to wage—certain conditions, but not of wage since Elizabeth. Has not an enactment on wage always followed a scarcity of labor when, owing to the scarcity of labor, the laborer tried to get

a high price for his labors? To be governed, in other words, by the question of supply and demand?

Mr. BABSON. I do not know the cause. I was not around in those days, but whatever the reason was, it did not work.

Commissioner GARRETSON. Whenever the question of supply and demand has gone against labor, then they have attempted to cure it by legislation?

Mr. BABSON. But that does not make it right. They did not cure it, did they?

Commissioner GARRETSON. Yes.

Mr. BABSON. No; the people went into other kinds of business.

Commissioner GARRETSON. In England there is a record of a peer of the realm being exiled for paying more than the wage because he needed the men.

Mr. BABSON. I do not know; I am not sure.

Commissioner GARRETSON. It might be interesting to look up.

Mr. BABSON. Yes; I think so.

Commissioner GARRETSON. Now, another thing—

Mr. BABSON (interrupting). Do you believe the law of supply and demand in regard to conditions can be suspended?

Commissioner GARRETSON. I do not believe it should be suspended in one direction without being suspended in the other.

Mr. BABSON. Do you believe it can be suspended in any direction?

Commissioner GARRETSON. I believe there have been times when it has been.

Mr. BABSON. How did it work?

Commissioner GARRETSON. How did it work? A hardship on the worker, of course. One thing further. Have you in your investigations discovered the fact that capitalization is always representation of actual value?

Mr. BABSON. I certainly have not discovered that; no.

Commissioner GARRETSON. Then what relation does the fictitious stock bear to the wage rate when you take into account the interest earning on fictitious capitalization?

Mr. BABSON. Why, I do not see how it affects the earnings very much of a corporation, whether they are capitalized for the actual value or whether they are not. It seems to me that—

Commissioner GARRETSON (interrupting). If they have an actual capitalization of a million, and they have to earn dividends on two million, what relation does that second million have to wage when it comes to putting up a plea before the public?

Mr. BABSON. Oh, yes; I see.

Commissioner GARRETSON. Isn't there a connection?

Mr. BABSON. In fooling the public; yes.

Commissioner GARRETSON. In fooling the public, they will fool their workers as a result, will they not?

Mr. BABSON. Yes; I do not defend overcapitalization, Mr. Garretson.

Commissioner GARRETSON. That is all.

Chairman WALSH. I just have one question. I see it is in the same gentleman's handwriting, and as it is rather long I wish you would pay attention to it. Here it is: "If all land forced into use for creating more jobs than men, and wages under supply and demand goes up, don't the price of products have to meet the law of supply and demand, and more products being produced by all land being used, and all unemployed being employed, won't prices of products go down and wages stay up?"

Mr. BABSON. How about rents?

Chairman WALSH. I am asking you the question now and I wish you would please answer that question that is handed to me in that form.

Mr. BABSON. He simply brings out two factors; he brings out the factor of wages and the factor of prices, but he does not say anything about the rents for the land.

Chairman WALSH. Would products go down and wages stay up under those circumstances if all the land was put to beneficial use?

Mr. HARRY WEINBERGER. I would like to add the proposition—

Chairman WALSH. You will have to excuse me, but I am asking the question which is handed to me.

Mr. WEINBERGER. I would like to add the proposition of rents also; in other words, rents would go down, because every piece of land is being used—in other words, rents would go down because every piece of land would be used and products would be more, the price of products would go down and more jobs would be created and there would be more labor than men, and the price of labor goes up. There are three elements in that question of production.

Chairman WALSH. Will you answer the question as it stands, and leave the question of rent out.

Mr. BABSON. I would not want to answer that question offhand.

Chairman WALSH. All right.

At this point we will adjourn until to-morrow morning at 10 o'clock.

(The following communication was subsequently received from Mr. Babson:)

THE TECHNOLOGY CLUB OF NEW YORK,  
Monday evening.

FRANK P. WALSH, Esq., *Chairman*.

MY DEAR SIR: In view of an aftertalk with one of the commissioners, I beg to ask that the following conclusions be read into the record: I believe—

(1) "Absentee control" is becoming more and more unsatisfactory for both labor and capital. Many of our present industrial difficulties are due to this and surely something should be done to prevent its spread.

(2) Minimum wage legislation may be of temporary value in special cases; but the most that either labor or capital can do in the long run is to bring about a free market in order that the law of supply and demand can surely and freely work. Labor will be disappointed in the results of legislative "cure alls."

(3) The industrial struggle would be greatly clarified if both sides would agree that labor, capital, management, and commodities shall each be paid their market price in accordance with supply and demand, and then confine their struggle to the division of the excess profits and for a share of control.

(4) Capital is doubtless unjustified in taking all these excess profits as at present is the custom. With a system of scientific profit sharing labor would get a portion of these profits in addition to its wages. But this excess should fluctuate with the business conditions of the country, and should go to those who make the profits.

(5) In other words, I believe that labor is getting in fixed wages about all it is entitled to and that new legislation can not help labor greatly along such lines; but I also believe that labor's total income would double with the installation of cooperative and scientific profit sharing. If so, should not labor look toward cooperation of a form which will bring back to the plant that control which has drifted away? Should not more attention be given to industrial education and to training the workers to become bigger earners?

In closing let me thank you and the commission for the attention which you gave me yesterday. You are all entitled to the greatest credit for the work in which you are engaged. I am sure that it will be the means of increasing labor's income and of insuring capital's legitimate investment. Publicity can only do good to both sides of the conflict.

Respectfully,

ROGER W. BABSON.

(At 4.45 in the afternoon of this Monday, January 18, 1915, an adjournment was taken until to-morrow, Tuesday, January 19, 1915, at 10 o'clock a. m., at the same place.)

NEW YORK CITY, *January 19, 1915—10 a. m.*

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Harriman, Bullard, Weinstock, and Garretson.

Chairman WALSH. The house will be in as perfect order as possible. The commission will please come to order.

Miss Tarbell, will you take that seat, please?

#### TESTIMONY OF MISS IDA M. TARBELL.

Chairman WALSH. Your name, please?

Miss TARBELL. Ida M. Tarbell.

Chairman WALSH. Where do you live, Miss Tarbell?

Miss TARBELL. 132 East Nineteenth Street, New York City.

Chairman WALSH. You have been engaged in literary work for a number of years, I believe?

Miss TARBELL. Yes, sir; for a great many years.

Chairman WALSH. And you have made, in the course of your life, many investigations into business and industry?

Miss TARBELL. Well, I have been occupied for perhaps 25 years very largely with related subjects; not entirely, but largely.

Chairman WALSH. Lately you have made quite extensive investigations, I believe, into certain industrial plants in different portions of the country?

Miss TARBELL. Yes; I have been, for four or five years, looking into conditions as I had opportunity in different industrial plants.

Chairman WALSH. Well, lately, the attention of the commission has been called to your articles running under the generic head of "Golden Rule in business."

Miss TARBELL. Yes.

Chairman WALSH. We would like you, in your own way, please, Miss Tarbell, to explain as clearly as possible what you mean by the Golden Rule in business as you have found it?

Miss TARBELL. I mean by the Golden Rule in business to attempt to work out in a group the policy of doing as you would be done by.

Chairman WALSH. Yes. Now, we have noticed in one of your statements that you state there is a silent revolution going on in American industries. Assuming that that statement flows out from what you have said, I wish that you would give us, for our record, the observations that you have upon that. Of what does the revolution consist? How has it been brought about? What are the activities of it?

Miss TARBELL. I believe that throughout American industry on the side of the management there is a growing feeling that the man—the common man—is worth a great deal more than the employers and the managements of industries have ever dreamed; that there is a growing feeling among many people that the most important thing in the world on the side of business is the development of this common man. That to give him full opportunity and full justice is the most important industrial problem that we have. I think that can be found not fully expressed perhaps in any industry, but in many industries, some large and some small, you can find that idea at work, men not willing longer to underestimate what we call the common man, the workingman, not willing to deny him rights, not willing to be unjust to him, but struggling in the best way that they can to express that in their industries. Sometimes it is a very tentative experiment; sometimes it is a very full one.

Chairman WALSH. And you feel there is a growth, not only of that spirit, but genuine activities along that direction?

Miss TARBELL. I think I may say I know that to be true. I was a long time in convincing myself that such a movement was going on in this country, such a movement or revolution, sufficiently general and sufficiently personal and independent to be dignified by the name of a revolution or a movement. Working as I do for what we call the Popular Magazine, it is impossible for us to take up a subject which is sporadic or temporary; we have to look for something that is general and concerns the whole people; we have to be careful before we decide upon a thing that takes perhaps three or four years in investigation.

Chairman WALSH. Would you please give us the examples in industry that stand out in your mind as the best expression of this idea which you have just submitted?

Miss TARBELL. How fully do you want me to go into these?

Chairman WALSH. Just as fully as you care to do it. You have been told generally what we want, and I am sure your judgment will indicate to you, and you may do it very fully if you please. Do not feel that you are hampered for time.

Miss TARBELL. One of the fundamental and most important of these developments, to my mind, is that which comes under the name of science of management or scientific management. I believe that in that system the workingman has an ally and an opportunity that he has not at all sensed as yet. This is largely because the science of management breaks entirely with the old ideas of management because it is a highly developed and thoroughly scientific system and the untrained mind does not grasp it easily. Again, we all of us object to breaking with what we have been doing, we do not like to try the new. Some of us feel that we have done just about as well as we could be expected to do. In industry the managers, the heads of business, generally feel that they have done as well as can be done, and they are unwilling to take up new systems. Wherever the system of scientific management has been worked out honestly and fairly, and I want to emphasize those words, for there has been a great deal of faking in scientific management, there have been attempts to apply



it in a short time, which can not be done, as it is a revolution in itself, but where it is tried honestly it results first of all in better earnings for workmen, it means invariably shorter hours, it means what to me is the most important thing in the world and what is so difficult to get inside an industry, and that is the development of the man as he works. I think one of the rightful complaints of labor, one thing which they should always complain about, is this getting into a business and not being able to get out. Scientific management aims to push men out of settled positions, it creates new kinds of work. The understanding of that system is the most essential in my mind to the development of our industry. I have examined it in at least one-half a dozen different kinds of shops or factories and always where it had been put in with great care and where the work had been conscientiously done I never failed to find that the whole working body has been vastly improved, the conditions have been vastly improved by the application. There is nothing on which I base, myself, more hope for the development of our American industry than this science of management. One reason I feel it is most important is that it requires so high a degree of cooperation between all persons concerned in the industry. It requires a higher degree of collective action than has ever before been applied in industry. But you are not going to improve our industrial conditions without a complete form of cooperative action. You have to have your whole body concerned in the development of industry in constant communication and circulation, every man heard whether his claim is foolish or wise, every man considered whether he wants to discuss whether two times two makes four, every man, and he should be heard as an individual or through his representative.

Now, scientific management—I am talking now about its thorough and honest application; I want to emphasize that—compels that cooperative action, and that is one of the great reasons that I feel that there is great hope for it in American industry. That is one thing that I have seen that has interested me and in which I thoroughly believe.

I have been greatly interested in the labor policy as it has been developing in the Steel Corporation. Ever since I was a young girl I have known the iron and steel industry; that is, as a child, I lived near Pittsburgh. I can remember the Homestead riots; I can remember the strike of 1870. My goings and comings took me for years up and down the Mahoning Valley, which all steel men know. They took me to Pittsburgh; they took me into the coke regions; and as I traveled back and forth I have always known steel workers; I have always known steel managers; I have known all of the bad conditions. Now, when the Steel Corporation was formed it inherited the most varied sort of labor policy. It probably inherited some of the worst labor policies that the world has ever seen. It also inherited some of the best labor policies—of the time. I should say that the attitude of Mr. Lynch, the head of the Frick Coke Co., toward labor was one of the most enlightened at the time that was in existence in the mines. I do not say it was a perfect policy. I have yet to find any perfect thing; for I am not talking about perfect things. But, Mr. Lynch was an enlightened man who only had the interests of his men at heart. One of the things that always has interested me with the Steel Corporation when it took over that company, was the beginning of the steel slogan "Safety first." Fifteen or twenty years ago, in the Frick mines, you would find in half a dozen languages the slogan "Safety, first consideration." That was all over those mines. I suppose that was the first mine in the country—I don't know that this is true, but I believe it is true—that it was the first mine that had the German safety lamps. I think that Mr. Lynch always did the best that he knew and that he was continually working to do better in his mines. I know that four years ago, was it?—the Westmoreland strike? I think it was that long—a dreadful strike in Westmoreland County, lasting 16 months. I know then I went through that country. It was very desperate. I went over with labor people, and I remember distinctly an intelligent laboring man who said to me, "If they would do in these mines as they do in the Frick Coal Co., we would never have a bit of trouble."

Chairman WALSH. What were the particular features that appeared commendable in that day, Miss Tarbell—those policies?

MISS TARBELL. That they were trying to do everything with safety, which I considered a very great thing. I know their hours—I have not the history of their shortening of the hours—

(Chairman WALSH (interrupting). I know, but what general policy did Mr. Lynch have toward labor and its claim as to right of organization and redress of grievances and such things as that, if you know?

Miss TARBELL. As I understand it, that mine was always an open mine. I went through those mines, I think it was possibly two years ago, and I asked them about union men, and they said, "There are a great many union men here, but it is an open mine." And they told me that it was a good many years—and I had that from a laboring man I talked with four years ago—since they had had any trouble with that mine. Now, this I am giving you, not because I have investigated by the dates the history of the mine, but this is history I gathered at the time.

Chairman WALSH (interrupting). Sort of a general running history?

Miss TARBELL. Sort of a general running history. I know I have never been in any mine—and I have been in a good many mines—I have known soft-coal mines in Pennsylvania and eastern Ohio a great many years—and I know I never have seen anything that compared with the provision for safety in those mines. I was tremendously impressed with what they were doing in housing and their efforts to make decent villages. I think that is one of the most interesting things that has been done in any mining community. They have—there is nothing in the world so bad as the coke villages around Pittsburgh—the old-fashioned ones; and the Frick Coke Co. literally elevated their villages out of the ash pits and made them over. They have the water in the houses and have given every man a garden and done everything to encourage the gardening. Out of about 8,000—I think I am right—8,000 houses with gardens, about—oh, something over 7,000 had beautiful gardens. That is, they have been doing everything to make their places worth living in. That was the kind of a man that the Steel Corporation took over.

Now, as I said, they took over some that were about as unenlightened as could be. Now, they took over the town of Vandergrift, the American Sheet & Plate Co.; and there another experiment had been going on for quite a long time, and certain things, 8-hour shifts had been 20 years in operation for the great body of the workmen; not, as I understand, for the open hearth. The 12-hour day, as I understand it, prevails in the steel plants now. In Vandergrift there is 11 per cent, and in some places may be a little more. I do not want to be quoted as exact on that, for I don't know; but I think it runs in different plants from 11 to 25 per cent probably. Now, that applies to that work with which everybody is familiar, where a man works intensely for 20 minutes or half an hour, and then is off for a time. The Steel Corporation still contends that they can not do away with that practice. It has been done away with in one independent plant which I know; that is the Commonwealth Steel plant at Granite City, Ill. The head of that plant refused the other day a contract for \$2,000,000 for shrapnel, because he was not willing to make any thing to kill men.

For half a dozen years—oh, I think more—they have had the 8-hour shifts at Granite City for furnace work. There is no 12-hour work at all in the Commonwealth Steel plant. And they claim that men, on an 8-hour shift, make more steel and iron than they do on a 12-hour shift. They started that because they did not think the 12-hour day was right socially or physically. They believed that short hours with intelligent men so increased efficiency that an 8-hour shift is better; and they have proved that, and they have made a full report of their findings—a very complete and scientific report.

Of course, one great development that they have in the steel plant is the safety work. I don't know whether you care for me to go into that or not.

Chairman WALSH. Yes; you might go into that, I think, with profit.

Miss TARBELL. Safety work in the steel plants started out several years ago. Of course, the industry is a very dangerous one. And in the olden days there was practically a contempt and indifference to accident, which I think everybody shared—I know in the days when I first knew Pittsburgh, in the Mahoning Valley, there was a feeling among men and managers that you could not prevent accidents. That it was one of those things that man had to take when it came, and, of course, the awful accidents are of a kind that one does not want to think of, or having once seen one of those accidents, you never forget it.

I was on a road near a great furnace in Youngstown at one time when a furnace burst and caught the men on the pig bed. Those are things that happen constantly in the steel industry, the iron and steel industry.

They undertook, when the corporation was forming, I think in the National Tube Works, to see what they could do to cut out accident. And the work that they have done certainly is the most thorough and suggestive to one interested in that subject that has been done in this country. Their safety publications, their safety movement, their safety museum, furnish an enormous amount of instruction, and all kinds of instruction are free to those that are interested in improving their safety. In my judgment, the best thing that they have done is their safety organization. You can not have safety simply by machine. There has been an idea that we could pass laws to put such and such a device on machines, and then we would have safety. Well, safety is helped by devices, there is no question about that. But that probably is not one-third of the matter. Safety is to be attained in any industry only by training men to safety habits. It is a great educational work that is carried on in any industry where they set themselves to gain complete safety. One of the finest things to my mind about this and one of the most important things is that—here again you have got a movement that requires a high degree of cooperative work between managers and men. You can not carry it on without this cooperation. And it is one of those things that teach men to cooperate. We do not have cooperation now anywhere, because we do not know how to do it. We, all of us, have some pet notion we hang onto that notion and we would not cooperate with the other fellow because we do not understand, or do not want to understand his ideas. And wherever you can get a group of men to cooperate on anything that concerns them and work together to do that in the best possible way, I think you have done something to push us all up to higher and higher improvement.

The results of the safety movement in the Steel Corporation are two-thirds of them due to cooperative work. Of course, they have spent an enormous amount of money and they are spending to-day I suppose three quarters of a million dollars on an average and have for many years. But it has paid them. The cost of accident—that is their compensation—is less than it was under the old system, not to speak of the satisfaction of saving human life and improving and making industry tolerable, and taking out all of that bitterness and misery that comes from killing men wholesale, because we think that is part of the business.

Chairman WALSH. Now, in the preliminary portion of your statement, Miss Turbell, you said that you discovered a growing idea not to deny men rights in industry. To what rights do you refer? If I can put it more plainly, what rights were denied that the new thought, as you might say, was that they should be extended or should be allowed to have their expression and vigor, Miss Turbell?

Miss TARBELL. Well, the country has gone on the theory that you must beat down wages to the lowest. Also, our old theory was you must work from sun to sun. All the old apprentice documents, I have seen them in many shops, compel the apprentice to work from sun to sun; his manager worked from sun to sun, and we were all brought up on that theory, that long hours were somehow a virtue, and that you could not get the work done unless you were working all of the time. It applies in many forms of industry to-day. I do not suppose it applies so general in any form of industry as the domestic life.

There is scarcely a woman in the country who does not think that her servants should commence work at daylight and work in the evening until the work is done. She absolutely refuses to organize her work. It applies practically everywhere. Labor has agitated continually for 100 years in this country on that subject. You go back as far as 1820—I do not know that my figures are exactly accurate, but it is pretty nearly 100 years ago at any rate—and we had labor people in this country complaining about hours, saying they were getting no life, that they could not do their work well, they were breaking down. The time came when our factories organized. We organized textile factories and took women and children out of their homes where they had been weaving and put them into factories, and they had, of their own volition, because of their New England conscience—they had worked from sun to sun in their own homes. And when the factory was formed they thought they ought to work the same way, from sun to sun, and they found, gradually, very gradually, that if you did that you were not able to do your best. Gradually they shortened hours. First they shortened them to 10, and then they shortened them to 8. We have our 8-hours laws for women up in Wisconsin as far back as 1867, I think. And they had it in New Hampshire, but they were not obeyed, because they had not efficient enough management. Nobody believed it possible.

Nobody believed that men should be working those short hours; they believed they would get into mischief and that the devil would get them.

Chairman WALSH. So that is one of the rights you say developed?

Miss TARBELL. Yes. I think, Mr. Walsh, that is developing all over the country.

Chairman WALSH. Any others?

Miss TARBELL. I think there is a growing feeling that the more a man can earn the better it is for the industry; the better it is for society. I do not mean to say that in general, but I mean to say that you will find that going on all over this country; people that believe that managers—that believe that managers should do that and preach it. It certainly is preached in scientific management.

Chairman WALSH. Would you please name any industrial plants in the country that you are familiar with where you think an application of scientific management has been installed?

Miss TARBELL. I think it has been installed in the Cloth Crafts Shop of Cleveland in a most interesting way. There is a shop in which all the questions involved in production and in all the interests of the worker are constantly taken into consideration with the idea of developing that worker to the highest possible degree.

Chairman WALSH. How many employees are in the concern, please?

Miss TARBELL. They have about eight or nine hundred.

Chairman WALSH. Eight or nine hundred?

Miss TARBELL. Yes.

Chairman WALSH. Now, any others that you happen to have in mind?

Miss TARBELL. In the Pilgrim Laundry of Brooklyn there is a very remarkable application of scientific management. There it has been going on for a great many years.

Chairman WALSH. About how many employees do they have ordinarily?

Miss TARBELL. I think about three hundred. I would not be positive about that.

Chairman WALSH. Any other organizations that are approaching it even?

Miss TARBELL. I know how varied trade is.

Chairman WALSH. Yes; that you might speak of as examples where it is fair and honest, where they are working into it upon correct principles?

Miss TARBELL. I think the Link-Belt Co., of Philadelphia.

Commissioner O'CONNELL. And Chicago?

Miss TARBELL. I do not know of the Chicago plant; I have never been in the Chicago plant. I have only been—I have been twice; I spent a day once in the Link-Belt Co., and I have seen a great many of their men and have been in correspondence for a long time with Mr. Dodge.

Chairman WALSH. You gave as one of the benefits of scientific management, one of the great benefits, necessary cooperation between the employer and employee. Would you kindly indicate of what that consists? For instance, what does the employee do? What does the employer do in common?

Miss TARBELL. Well, under scientific management, of course, the work is all planned. Instructions are carefully laid down. This work is planned in what is called the planning room. The great majority of the—I am talking now of the shops in which it has been thoroughly installed, we may say, a completed shop—all of the men that are in the planning room making instruction cards, taking time studies, are men that have been brought up from the shop itself. That is, in scientific management where it is properly installed, you have much less manual work and you have more head work. I know in a machine shop they will tell you they have one man in the management for two at the machines, and generally those men in the higher grades are men that have been pushed up from the lower.

Chairman WALSH. Are two of the high points of efficiency in management time studies ascertainment of the length of time that it takes to do a given task, or given operation, and the payment therefor?

Miss TARBELL. Certainly.

Chairman WALSH. That plan you have noticed?

Miss TARBELL. Yes.

Chairman WALSH. In the places you have investigated, what is the cooperation, if any, which exists between the employer and the employee with reference to these two items—that is, the time studies first?

Miss TARBELL. The management, I suppose you mean, by the employer?

Chairman WALSH. Yes; of course.

Miss TARBELL. Management; yes.

Chairman WALSH. The employer himself or his vice principal.

Miss TARBELL. Yes; the responsible person.

Chairman WALSH. Yes.

Miss TARBELL. You know how the time study is made?

Chairman WALSH. Of course, we all know in a general way.

Miss TARBELL. Yes. Well, the time study—studies are sometimes made in the shop. I more generally myself have seen them in an experimenting room. The time study man works with the operative in resolving this particular operation into its different parts.

Chairman WALSH. Who, finally, if anyone—or is it done by cooperation—how is the length of time fixed definitely?

Miss TARBELL. I have never seen it done myself except by cooperation. I have been in good shops where there was a thoroughly honest effort, and have seen time studies made where the operative and the time study man—

Chairman WALSH. That is the cooperation between the individual who undertakes the practice and the time study man, who fixes the time finally?

Miss TARBELL. Well, they decide in what length of time this operation should be done, and it is decided what is the best way to do it—of course, there is a great deal of motion study combined in this. A man may do a given operation who has been accustomed to do it in a way that takes it two or three times as long as is necessary. If that is a bad habit, the employer will aim to break that habit up.

Chairman WALSH. Yes.

Miss TARBELL. And teach him the easiest way of doing it, the quickest way of doing it. Sometimes it takes a short time and sometimes a month to get an operation properly studied and the proper time for its different operations and proper motions made out. And where people go in and make a time study in half an hour or a day it is an imposition. The man that has the instruction card has a right at any time to appeal to the office—

Chairman WALSH. Does that contain the length of time in which the operation is supposed to be covered?

Miss TARBELL. Yes.

Chairman WALSH. About the instruction card, now, who issues the instruction card?

Miss TARBELL. The instruction card is issued from what is called the planning room. In that planning room there are all the different officers that make up the force.

Chairman WALSH. They fix the operation in the planning room, the length of time of the operation?

Miss TARBELL. That is, the result of this study is brought to them, and their instruction cards are made out.

Chairman WALSH. Does the plan contemplate representation of all the employees in any particular part of the work, any agreement upon time studies?

Miss TARBELL. Suppose you have a body here that are all on one particular operation. One of those persons makes a time study with the time-study man. After that has been worked out so that it is believed it is accurate, all those persons are put on that operation. Most of the time cards in the good shops carry this instruction: "If at any point, if at any one of these operations the time is thought to be too fast, or too short, the operative is supposed to complain." And I have very often found they do complain. I have seen them complain. I have seen the manager, the floor manager, I have seen the man and the operator who had questioned a particular time.

Chairman WALSH. But in the plan, inherent in the plan, do you understand that there is no place for an organized representation of all the employees in the shop?

Miss TARBELL. The representative of this group who is studying that out, or the man who is studying that with the time-study man, with the manager and the other officers, of course, he is representative in a way of that body. If he does not work that out correctly, if he is not watchful, if he is not—if he is imposing upon his fellows they find that out very quickly.

Chairman WALSH. Does the plan properly organized preclude the idea of democratic organization among the employees to have a voice in the study of the length of time that an operation takes?

Miss TARBELL. No. As a matter of fact, it is the most democratic thing that you can think of, because these men are always complaining to the heads. And I have never been in a shop yet, and I have been a great many hours in the shop,

that I did not find a man in overalls in the front office, sometimes making a great howl about things. It is the only kind of management that I have ever found where the man could go to the man that made the blue print, go to the man that was managing, where there was an entire circulation all the time in the office. I believe the system does not preclude any kind of democratic organization. I think it is the most democratic organization that I have ever found. I suppose the point at which you are driving, Mr. Walsh, is whether it precludes the representative of unionism—is that the idea?

Chairman WALSH. Exactly.

Miss TARBELL. Not at all. If there is good will on both sides—it may be a little difficult, but then there are many difficult things. I think most of the men that have had experience with scientific management have been so busy with the theory that they have not thought very much about anything else. I think that they are wrong in this. I think the unions are doing harm to the great body of people that they represent, who ought to have the best of any idea, that they don't go into the shops, they don't study and learn this thing, they do not let them study long enough. They ought to have an opportunity to let the men in the shops and let them study intelligently for a year or so. Just how a representative of a union is going to come in on these time studies I can't say. I think that anything that is good for a body of people if you come up against an objection there ought to be full cooperation in meeting that objection. You see, my point is, Mr. Walsh, that to say we do not see how that is going to be done, therefore it can not be done is wrong. It is the basis of most of our industrial unrest. There is nothing more detrimental, in my opinion, than refusing to consider a disputed point. It does not make any difference what they want. It may be a very foolish thing, the most foolish thing in the world, but get them around a table, and you will soon find out whether it is a foolish thing or not.

Chairman WALSH. Now, as to the fixing of the bonus that is to be paid for the work in the thoroughly efficient places of this kind, how is that done?

Miss TARBELL. That always has been fixed by the management. The theory they have gone on is very general, one-third of the extra product should go to the workman; one-third should go to the management, that is the planning room. There are a great many new positions and work created by this, and that has been overlooked, the amount of new work that is created by scientific management. You have to have all kinds of new tools and appliances. It is a thorough reconstruction and revolution. One-third—I think it generally goes one-third to the management, one-third to the labor, and one-third to the shop force.

Chairman WALSH. How generally do you believe this new idea of which you have spoken has taken hold of American industry?

Miss TARBELL. Well, that is very hard to say, Mr. Walsh.

Chairman WALSH. Could you approximate it? Generalize it? Is it general or rather confined to a few of the progressive ones out in front, as it were, or is it a sort of national development going on throughout all business?

Miss TARBELL. We have had in the last few years a good deal of upheaval, and my feeling is that the things behind that upheaval have taken stronger hold upon industry than any other walk of life. I think it is quite impossible to say just how general that is.

Chairman WALSH. You would not undertake to say what percentage of factories in the United States, in a general way, have taken adequate steps along that line?

Miss TARBELL. I do not know; but this I do know, that this is a kind of idea that, once started, can not be stopped. I know what brought me to this idea—to this particular study—was the fact that in doing entirely different kinds of work—that is, in investigating the effect upon industry of special privilege in other years—I kept constantly running on to things that I did not know existed. I found men doing things that seemed to me so intelligent, so much more humane, of so much larger view, that I began to say to myself, "There is a great deal going on I was not aware of," so I really think it constitutes what we call a "movement." I know that I never go into an industrial center that I do not run on something of this kind, and my mail brings me every day something I have not heard of. A great deal of this thing is done on the quiet, for there are many men who are working along such lines and doing good things who seem to be a little ashamed of it—they do not want to take any extra credit for it. I know of many men who have absolutely refused to let me name them.

Chairman WALSH. What percentage of the factories—or about how many factories or establishments did you investigate in your late studies?

Miss TARBELL. Well, I can not tell you that, Mr. Walsh.

Chairman WALSH. Could you approximate it?

Miss TARBELL. I do not believe I could approximate it.

Chairman WALSH. Did you undertake to go to what you might call the large corporations—the leading ones or progressive ones—or did you take them as they came?

Miss TARBELL. I have been going for a number of years to all kinds, and most of them were very unprogressive.

Chairman WALSH. And so your articles on the new rule in business covered the late investigations which you have made in particular places, added to your experience as you have gained it in other investigations?

Miss TARBELL. Yes; a great many good things I found years ago, when I was studying particularly large corporations, trying to write a history of one on the line of the relation between it and transportation. Tariff study led me for a number of years into the textile field and related industries, and a great many of my observations were made then. I have been fairly well through New England—Rhode Island, Lawrence, Fall River—and wherever I have stopped off of a train I have generally gone to visit a factory, so that it would really be impossible for me to say.

Chairman WALSH. It would really be impossible, then, for you to estimate for us the number of establishments you have visited, upon which your studies and conclusions are based?

Miss TARBELL. I would not want to guess it off.

Chairman WALSH. It would be impossible in an inquiry of this kind?

Miss TARBELL. Yes; I would not want to do so.

Chairman WALSH. Did you make an effort, say, in these larger industries—such as the steel company—to investigate all phases of the activities of the company which affected the men working for it? That is, for instance, the extent and effect of the hours that they labored?

Miss TARBELL. Yes; I have looked into that a good deal in other years. The old hours were very wrong. I have a most decided opinion on the seven-hour day—the seven days a week, I should say—and the 12-hour day; and those were things which I have been familiar with for a good many years.

Chairman WALSH. Did you observe, approximately, how many employees of the steel company still worked 12 hours per day?

Miss TARBELL. I mentioned that a little time ago. I think it differs in different places. I was in Vandergrift for a week or so about a year ago, and they told me then that there was about 11 per cent of the men working 12 hours.

Chairman WALSH. About 11 per cent of the men working 12 hours?

Miss TARBELL. Yes. They said they were gradually reducing that, and at Vandergrift they said they hoped to eliminate that. I do not know what the last report of the steel company is. The last report of the steel company mentioned the amount of 12-hour men still in operation.

Chairman WALSH. Do you know, Miss Tarbell, the number of employees in the United States Steel Corporation—the whole corporation—that still work 12 hours per day?

Miss TARBELL. I do not. I think the last report said about 25 per cent, but now I do not know that.

Chairman WALSH. I might say for your information that the report of the Commissioner of Labor for 1910 says that approximately 50 per cent of the employees of the Steel Corporation work 12 hours per day.

Miss TARBELL. I think that has been very much decreased.

Chairman WALSH. There have been certain investigations made. I was just going to ask for your observation as to the effect which those hours seemed to have upon the persons engaged in the industry that were still working 12 hours a day. Did you observe any effect?

Miss TARBELL. I do not believe a man can work 12 hours a day. Of course the kind of work the steel people are doing a 12-hour day is not 12 hours of steady work; that is understood. They will work 20 or 30 minutes and then they have a 20 or 30 minute rest. No man could live—I do not believe he could live very long and work six hours a day steadily under that intense heat. They have to have their rest spells. I think that almost invariably men that work for 12 hours a day are physically—well, they are pale and they are thin and they are a little worn. That is not because they are doing too much work, but they are shut up long hours and they do not have sufficient social life. The stockholders' report—you remember that a year ago a committee of stockholders examined all the steel plants. Their report, as I remember it, said

they did not think the bad effect on the men—that the effect was not so bad physically as it was socially; that if a man must be 12 hours at his work he did not get a life.

Chairman WALSH. That was the report of the stockholders of the United States Steel Co.?

Miss TARBELL. Yes; the report of the stockholders of the company—that 12 hours' work, on social grounds alone, should be done away with.

Chairman WALSH. What is the escape for that? Suppose the men engaged in it held that same theory and that their apparent physical condition was due to exhaustion, for instance, overfatigue, how is the approach being made, if there is any, to escape from those conditions?

Miss TARBELL. The eight-hour shift is the solution.

Chairman WALSH. How can they get it?

Miss TARBELL. The eight-hour shift?

Chairman WALSH. Yes. If you say there were 50 per cent still working 12 hours a day in 1910, and we will assume it holds good to-day—

Miss TARBELL (interrupting). It does not, I think. I think you will find it is as low as 25 per cent in some of the plants and in others lower.

Chairman WALSH. In the preliminary report we have received I am told it runs about the same. We have not completely checked that, however.

Miss TARBELL. I think that is too high; I feel certain that it is.

Chairman WALSH. Assuming there is a large proportion that still work 12 hours a day, how is it being worked out, or how can it be worked out?

Miss TARBELL. I think it must be worked out on better management, more efficient cooperation with the men. The men, of course, object. I talked with 12-hour men in Vandegrift, for instance, and they said they did not want an eight-hour shop because they could not earn as much. In the Commonwealth plant, to which I have referred, this same class of work is done on the eight-hour shift, and the labor in the factory and the men are earning just as much and the output is just as much. That was done by a scientific study of the problem. That work is all piecework, I think, and the piece rate in all operations was raised a little. It was raised so that in 8 hours they would earn as much as in 12; the men were not told that in order to keep that advance in wages, so the company claims, that they must do more work, but as a matter of fact they did do more work in the 8 hours than most of them had been doing in 12 hours, because they came rested and refreshed and their minds had been renewed by a little pleasure. They found they can do that in the Commonwealth Co., and I hope the steel company will find they can do it. They have done away with the seven days a week, and that is a very great advance, and it was done away with over the objection of a great many of the men. I think in one case 3,000 men left a Steel Corporation's plant because the Sunday work was stopped and went to plants where Sunday work was going on. I think that is true.

Chairman WALSH. Do you think the wage received by the worker has any effect upon his desire to work upon Sundays; that is, if he deems his pay adequate, whether or not the whole question of wage would not have a very deep effect on a man's desire to work long hours or an extended number of days in a month?

Miss TARBELL. I think with a majority of men it would, but there are always men who have some reason or other—

Chairman WALSH (interrupting). Human selfishness.

Miss TARBELL. Well, a person may have some terrific demands on him that makes him anxious to earn every cent that he can. Men may have sick wives or children and they think it is important to earn every cent they can. We have a great many foreigners in this country who are living on practically nothing, so they can save up their money and go back to their own countries and buy farms and live on them. That is a bad condition for our industry, but there are great bodies of foreigners that have that feeling.

Chairman WALSH. Did you make any study of wages in these industries you examined?

Miss TARBELL. Yes; I always did.

Chairman WALSH. Did you consider the increase of wages as compared with the increase of the cost of living during the same periods?

Miss TARBELL. Yes; I always took figures on that.

Chairman WALSH. What did you observe in regard to the steel company in the Pittsburgh district in that respect?



MISS TARBELL. I think all over the country the cost of living has increased faster than wages have increased, and it always does. The cost of living goes up and the workmen have to have that behind them in order to get an increase of wages.

CHAIRMAN WALSH. To what extent did you observe that to be the condition in the Pittsburgh district? To what extent has it increased? It has been stated that the cost of living increased between 1901 and the present time to an extent perhaps of 100 per cent greater than the increase of wages; would that be correct?

MISS TARBELL. I think that is putting it pretty steep, but I do not know. I have those figures somewhere, but they are not fresh now in my mind. There has been an increase in the cost of living, that is the experience, greater than the increase of wages.

CHAIRMAN WALSH. Did you examine into the living conditions of the employees deeply and extensively in these cases?

MISS TARBELL. I have spent considerable time, in not looking at the worst, with which I was sufficiently familiar, but looking at those things which were great improvements to see what could be done. I wanted to get at things that had been done, because when you know what has been done you have something to go on and have a pressure to put on people who think conditions can not be improved.

CHAIRMAN WALSH. Did you study the effect of the maintenance of stores by these large companies where the employees buy supplies?

MISS TARBELL. I have been looking into that question for a number of years—I looked into it at—in the coke region, in the Frick Coke Co. In that region the mines are so far from the towns that there has to be a store of some kind. The question is whether the company or an individual shall keep that store. As it is going now in those towns I think there are about 20, each one had its store.

CHAIRMAN WALSH. Where is that?

MISS TARBELL. Near Pittsburgh in the Connellsville district. Each one of the 20 towns I went through have a store. I took the prices in the stores very carefully. I talked with a good many women that were buying. A great many of those women were foreigners and I could not talk with them, but I saw their baskets, I saw the food they were buying. They are excellent shops. I think you can not find better kept butcher shops anywhere. The prices of meat were 2 or 3 cents lower than the prices in the nearest towns. The people were not obliged to buy there. There were wagons going through all the time, beer wagons and butcher carts and grocery wagons, but there were no independent stores. I am thoroughly convinced that those stores are well managed and managed for the interest of the employees. That they always are is not true. You take it around—just a little ways off in other mines and the stores are deplorable. One cause of the strike in this district four years ago was that the stores were badly managed and the people were swindled on prices. Those stores vary a great deal.

CHAIRMAN WALSH. Did you inquire into the capitalization of the Union Supply Co., which, I believe, is the name of the corporation which operates the stores for the H. C. Frick Coal & Coke Co.?

MISS TARBELL. No; but I read their report and had that report in mind when I looked after these stores and was trying to convince myself whether in this particular location the stores were well conducted and whether the prices were higher or lower than the people could get the same goods for in adjoining towns. Now, as far as that company was concerned, I know those stores are good stores and they are not swindling the people.

CHAIRMAN WALSH. Did you observe any particular strength that those stores would have outside of the mere influence of its being operated by the owners of the enterprise?

MISS TARBELL. I do not get your question, Mr. Walsh.

CHAIRMAN WALSH. Any economic strength, we might call it, by reason of the fact that the other stores were farther away and more difficult of access, or anything of that sort?

MISS TARBELL. In most of the cases the other stores, independent stores, were out of shopping distance. There was no other clientele for these shops than the miners themselves. The shops existed for the miners. If there had not been that shop they would have had to go to town or to deal with the traveling wagons. In that case they seemed to me to be doing a very good work—that is, a perfectly honest business proposition. There are many com-

pany stores that have for years swindled the miners, that I know, but I know that was not being done in this particular case. I do not know what is being done in the company's stores in other subsidiary companies of the steel company.

Chairman WALSH. You saw the report that was made on the conditions of employment in the iron-and-steel industry in the United States to the Fifty-second Congress?

Miss TARBELL. Yes.

Chairman WALSH. And you saw the statement made there as to the Union Supply Co. of being capitalized for \$75,000?

Miss TARBELL. Yes, sir.

Chairman WALSH. And did you have that in mind when you made these investigations?

Miss TARBELL. Yes, sir; I had read that, and I wanted to see what kind of shops they were running.

Chairman WALSH. Well, now, from your observations, what would you say was the point of vantage or how could those stores make such an enormous profit as, assuming that report to Congress to be correct, they were making? What could they—

Miss TARBELL (interrupting). Well, I don't see how those stores could make an enormous profit; I don't know. I don't know at what they bought. All I know is just what I have told you, that those stores were selling to those miners a little cheaper on everything. I took the prices of shoes, I took the prices of dry goods, I took the prices of meat, I did not take the prices of green groceries, because those miners were, practically all of them, raising their own vegetables at that time; and I was very much interested in seeing that the store itself was buying cabbages, green groceries, and potatoes of various kinds from the miners themselves that had raised them, and were selling them outside.

Chairman WALSH. I recognize that. The reason I was trying to get at this, Miss TARBELL, is—

Miss TARBELL (interrupting). Yes?

Chairman WALSH (continuing). I recognize the fact that a company of that kind might have advantages other than charging excessive prices to its patrons.

Miss TARBELL. Yes; they would have.

Chairman WALSH. Such as buying in large quantities and being sure of what the demand was going to be.

Miss TARBELL. Yes.

Chairman WALSH. And the character of the goods to be bought?

Miss TARBELL. Yes.

Chairman WALSH. I have heard and recognized that. But this report, now, states that the Union Supply Co. (Ltd.), during the 52 months for which records are available, paid dividends slightly over 1,617 per cent of its capitalization, which represents an average of 372 per cent per annum. They have now a nominal capitalization of \$500,000, and have paid dividends thereon of 80.5 per cent per annum or 537 per cent on its original capitalization. Now, you say, so far as you observed it, that the prices have compared most favorably with those in the same locality; and you went into the question no deeper than to make that examination you speak of?

Miss TARBELL. Yes; I knew, of course, that they have advantages. In the first place, they owned this ground—they owned the building—

Chairman WALSH. They do not pay rent, for instance?

Miss TARBELL. No. They must, of course, buy very intelligently, because they had a very good class of goods; but they keep a very fresh stock. It was rather interesting to see how the hats and styles compared. It was just as good as they were in Pittsburgh. It was a fresh stock—not old stock—that is, in those particular towns. I don't suppose, of course, they could sell their goods—

Chairman WALSH. The prices charged in the stores has a very definite effect on what might be termed real wages in a certain locality, meaning what a man retains from his wages?

Miss TARBELL. Yes; of course, it has. And the way to get around that in small communities, industrial communities, the real way is to carry on a co-operative store; but you can only carry on a co-operative store where the workmen own the store and are represented in its management, and, if there are profits, share in the profits, and must be represented on the management. That

has been done in some places, but it is very difficult to do that in a fluctuating community like these mining camps and with foreigners. That is very difficult. But I think the ideal way in a small community, where it must keep up its own shop, is to have the cooperative store in which everybody has an interest. That has been done in some places. I know of one or two that are admirably managed and owned by the workmen—by the whole group—and where every man that has any interest in it gets a share of the sales, gets lower prices, and gets his dividends.

Chairman WALSH. Now, Miss Tarbell, I do not wish to divert you at this time, because we are all interested in this matter, but I feel that I ought to speak to you about this—these newspaper gentlemen are very pushing about getting snapshots of some of the witnesses, and they have asked me for—and so far as the commission is concerned, they may do that any time, but I do not like to have them do it at this time without mentioning that to you and ascertaining if that is all right with you?

Miss TARBELL. Well, if they don't explode anything it is all right with me.

Chairman WALSH. Referring to Vandergrift particularly, Miss Tarbell, is there a definite policy there with relation to the organization of labor?

Miss TARBELL. As I understand it, Vandergrift was what is called an open shop. There are in Vandergrift a great many members of unions, I think. I believe the union scale of wages prevails. That is my impression. There is the same opposition in Vandergrift as there is all through the Steel Trust, as I understand it, to a recognition of the union.

Chairman WALSH. The steel company has a definite policy against it, I believe?

Miss TARBELL. Well, I don't think they discriminate—so far as I know, I have never come across a case of what I call a discrimination against a union man. That is, I do not know of any subsidiary where they ask, "Do you belong to a union or not?" Now, that is as far as my inquiries go, and I always inquire about that point. I found all through the steel plants a good deal of touchiness on the subject of unions.

Chairman WALSH. Our attention has been called to an alleged resolution of the executive committee, which is said to be still in force, passed June 17, 1901, as follows: "We are unalterably opposed to any extension of union labor and advise the subsidiary companies to take a firm position when these questions come up and say they are not going to recognize it, namely, any extension of unions in the mills where they do not now exist."

Does that seem to be the general policy in all the places you have visited?

Miss TARBELL. Well, I should say that the managers wherever I have been would be a little loath to lay down their labor policy quite as strong as that. And I have asked a great many of them, and their reply has been: "There are union men in this shop. We never ask whether a man belongs to a union or not. We never discriminate against union men." I take that on their statement. I have asked in Vandergrift in various places where I have talked with laboring men, whether there had been any actual discrimination. They said it was one of those things that they did not talk about. Of course, the labor troubles have been very keen, and I think it seems gradually to be dying out, and the time may come when both sides will have a more reasonable attitude. It does not seem to me that it is an acute question in the steel plants. That is my impression. The invariable reply I got when I asked a manager about unionism was, "There are union men all through our shops. We never ask that question and never discriminate against them." The invariable answer, when I talked to a workman was, "The union men are here, but we are not active, and the management would not stand for activity. They insist on the open shop."

Chairman WALSH. Did you notice the affidavits that were filed with President Taft in 1910 with respect to Vandergrift and to the effect that they were unable to secure a hall in Vandergrift in which to hold a meeting; that the workmen in the mills were specifically forbidden any meetings?

Miss TARBELL. Union meetings?

Chairman WALSH. Union meetings; that the organizers were forcibly attacked by the watchmen led by the foreman of the American Sheet & Tin Plate Co., and that the organizers were forcibly compelled to leave the town.

Miss TARBELL. I inquired from two or three people, and they told me the same thing—that when the union organizers came into the town—there are in Vandergrift a good many Italians and a good many foreigners that do not speak English—the foreign workmen chased them out. That is what was told me by two or three different people. Whether it was true or not I don't know.

Chairman WALSH. Did you observe whether or not there was any political control exercised by the company in the town—any political organization of the community?

Miss TARBELL. The town council is made up entirely of men from the shops. I attend the town council meetings; I attended the meetings of the board of education, and it was made up entirely of shopmen. The men that ran the churches were all men that belonged in the shops. I hardly found one from the management. There was no member of the management on the council, and no member of the management on the school board, as I remember; of course, they were in the different churches.

Chairman WALSH. The mayor, or burgess as they called him, who was the mayor, regardless of his name, what was his position?

Miss TARBELL. The mayor kept a store in Vandergrift.

Chairman WALSH. An independent shopkeeper?

Miss TARBELL. He was an independent shopkeeper entirely. I went to two meetings of the town council. I went down once—they get a man in jail about once in three weeks in Vandergrift, and it is a great event when they have a man in jail, and I was invited to see the prisoner and hear the trial, which I did.

I asked about political parties, and I was told that they had been pretty strongly Republican. Of course that class of workmen nearly all are high-tariff men, but when the Progressive Party came along there was a great number of them that went over to the Progressive Party. I was shown their figures on the last election. The Democrats polled the largest vote and then the Republicans and then the Progressives and then the Socialists. There are quite a number of Socialists in Vandergrift, and they have their lively meetings on the public square. Now, if they forbid the union to meet on the public square I don't know it; but they have got in Vandergrift what would be an absolutely wonderful public forum, and the Socialists come and gather there, and I saw them grouped together, and there was no interference so far as I know. They have only one policeman on duty in Vandergrift, and as they have a pretty good surface to cover he might not have been chasing Socialists that particular moment; but I understood they were not chased, that they were allowed to hold their meetings freely.

Now, if they forbid union meetings I do not know; but of course it is very foolish if they do. They ought to say, "Come on, boys, here is the square, and talk all you want to."

Chairman WALSH. Our attention has been called to a proclamation issued by James H. Chambers, burgess, on the 31st day of August, 1900, at a time when it is claimed organizers of the American Federation of Labor undertook to hold meetings there. Did you see that resolution?

Miss TARBELL. No; I never saw that.

Chairman WALSH. It was a proclamation. It reads as follows:

"After congratulating the people of Vandergrift and the adjoining boroughs on the measure of peace and prosperity which now pervades the community, I know that I voice the sentiment of all good people in saying that we would deplore anything that would mar the peace and harmony which now pervades the entire community, and this is particularly so as regards Vandergrift Borough. It is therefore a matter of regret that outside influence seems to be at work, the accomplishment of which would only tend to disturb the peace and order of the Borough of Vandergrift. I refer to marches, parades, meetings, and demonstrations by persons, mostly nonresidents, and which would have no other effect than to engender ill feeling among our neighbors and citizens.

"As the corporate officer of the Borough of Vandergrift, Pa., charged with the maintenance of peace and order in the borough, I can not tolerate or permit any such conditions to exist.

"Now, know ye, that I, James H. Chambers, burgess of the Borough of Vandergrift, Pa., by and under authority and power in me vested by law, do hereby—until such time as may seem more expedient—forbid the assembling of persons in large crowds upon the streets, alleys, highways, or private properties, and all marches, parades, public meetings, or any other public demonstration within the borough limits, and all persons are commanded to follow their usual vocations in their usual quiet way.

"Given under my hand and seal this 31st day of August, 1900.

"JAMES H. CHAMBERS, *Burgess.*"

You say your attention was not called to that?

Miss TARBELL. I never saw that; no. A very foolish order.

Chairman WALSH. What is that?

Miss TARBELL. A very foolish order.

Chairman WALSH. A very foolish order, and, of course, would be a serious interference with democracy there or elsewhere.

Mrs. Harriman would like to ask you some questions.

Commissioner HARRIMAN. Miss Tarbell, in the hands of unscrupulous employers, can scientific management work to the detriment of the employees?

Miss TARBELL. Well, it can not work very long, because scientific management depends absolutely upon the workmen. It can not be put over unless the worker agrees—absolutely can not. I think that has been proved again and again. Wherever the attempt has been made, as it has been made sometimes, to make the times too short—sometimes an employer will come along to the time study man and say, "Well, just shorten that up a little." Wherever they do that they have trouble. It won't work out unless you have the full co-operation of the workmen. It depends entirely on the workmen. I am perfectly convinced of that.

Commissioner HARRIMAN. Where scientific management is installed, in your estimation, is or is not organized labor valuable?

Miss TARBELL. I think organized labor is always valuable—

Commissioner HARRIMAN. You do not consider it necessary though?

Miss TARBELL. You mean necessary to the installation of the system? To the working of the system.

Commissioner HARRIMAN. Yes—to the employees.

Miss TARBELL. Individually?

Commissioner HARRIMAN. Yes—

Miss TARBELL (interrupting). Well, that all depends upon how—upon what ideas the employees have; how much they believe in cooperation among themselves; how much they believe that they can do through a united effort. The union is an organization that ought to concern itself with everything that concerns the best interests and development of the body of people in it. Wherever you can get a body of men working together for their own interests it is a good thing. I think it is a great mistake not to foster the unions. I think many intelligent employers see that and would rather have their men unionized. I have had many employers tell me they would not under any circumstances do away with the union; that they thought it was a fine thing all the way around.

Commissioner HARRIMAN. But from the point of view of the employee, you do not consider it as a protection, where there is scientific management, that there should be unionizing?

Miss TARBELL. You mean do I consider it essential to the honest management?

Commissioner HARRIMAN. Yes.

Miss TARBELL. No; I do not. I don't think it is essential. Where you have scientific management properly installed it is because you have very intelligent workmen and where you have employers and managers of a very high grade and where they know that any imposition, any unfairness, any injustice that is worked on the operative rebounds on themselves—where they understand that perfectly, and where their great idea is to do full justice and develop that employee to the fullest extent. It is primarily a system, just as Mr. Taylor has said again and again, to develop men. Only those men who are enlightened enough, who are big enough to see that they can not any more have injustice done or any more impose upon an operative than a union would. Now, where the system is misunderstood and there is a tendency to abuse it, the union ought to be sufficiently familiar with the system, and with how and when it is properly installed, to put a check to it; but it will only bail things up unless they really understand the system.

Commissioner HARRIMAN. Miss Tarbell, to what extent do women share the burdens of men in industries, in your study—have you found out?

Miss TARBELL. Just what do you mean by "the burdens," Mrs. Harriman?

Commissioner HARRIMAN. Well, I mean as to hours and poor wages and amount of work they have to do?

Miss TARBELL. The wages of women are ordinarily lower. There are, of course, reasons for that. They are not as stable a quantity in industry as men; and then there are fewer of them that are trained. Of course, the great body of women that go into factories go in without any knowledge at all,

utterly untrained, and they have to learn their work and that militates against their wages. If we could have some kind of training—if we once could get all our operation, all our tasks, made worthy; a standard for every task—now, that is one thing I see in scientific management which makes it appeal to me. It says there is no such thing as a menial task; that you should study every task and set a standard for it. And it does not matter what a man or woman does, it ought to be worth doing and you ought to find out the worthy way of doing it.

There are poor girls thrown into these big factories and none of them knowing anything about their work and perhaps never have seen a machine. And they take them and put them at machines without any instruction except what a driven manager will give, or foreman. That is a great handicap. The woman is not worth much. Poor thing, how can she be? She has had no training. I believe people ought not to be allowed to go to work until they know the job. We ought to have some system of training for everything.

Commissioner HARRIMAN. And you think that is the reason for the lower wages women receive?

Miss TARBELL. I say that is one.

Commissioner HARRIMAN. One reason?

Miss TARBELL. Another reason is that they are not as stable a quantity. Another reason is that they are not eager to push themselves up in a particular trade; that is, the period of service is rather a short one with them; they marry. I think that all these things militates against their wages. Then, of course, a great many of the operations are low-grade operations, and they are very cheap operations.

Commissioner HARRIMAN. Miss Tarbell, do you feel that suffrage would improve, or the reverse, the condition of women in industry?

Miss TARBELL. Well, I think that is very hard to say. I think sometimes it might improve it.

Commissioner HARRIMAN. You think it might improve it?

Miss TARBELL. I think it might improve it sometimes; and—it would depend on the conditions. I do not like to see women in politics because, of course, our public life is merely partisan politics as it goes now, and I would rather see them doing less self-interested things.

Commissioner HARRIMAN. Well, to what extent do the financial powers which control industry aid or hamper suffrage?

Miss TARBELL. Oh, I don't think they have anything to do with it.

Commissioner HARRIMAN. You do not—

Miss TARBELL. Oh, I don't think they would bother themselves about suffrage. Most of the men I know believe in suffrage. It is not the men that are keeping suffrage away from the women; it is the women.

Commissioner HARRIMAN. Miss Tarbell, has women's suffrage, so far as you know, helped to secure and enforce laws minimizing vice or has it not?

Miss TARBELL. I don't know. I don't think that suffrage has had fair enough test on that point. Probably the best laws we have had in regard to women and children have been made in States where there is no woman suffrage.

Of course, some of the Western States have adopted a body of laws that are very good. They have gone around to different States and found the best laws and voted them. But no law is worth much which does not grow out of actual condition. You copy a law from Massachusetts over in Colorado or Utah, and that is not much good. What you want is a law born in Utah and a law born in Colorado. The conditions always differ in different places. I think the age of consent has been raised in all the suffrage States, which of course is a good thing; I think that wherever we have women suffrage we will get legislation against liquor. Whether you will get its enforcement, I don't know. That is up to the women and depends on how active they are and how intelligent and how much interested they are. You will get a vote against liquor—you will always get that where you have suffrage. I think, though, they did not get it in California.

Commissioner HARRIMAN. No; I believe not in California. Did you, Mr. Weinstock?

Commissioner WEINSTOCK. In a good many local districts; yes.

Chairman WALSH. Commissioner Lennon says he would like to ask you a question or two.

Commissioner LENNON. Miss Tarbell, in your work on the magazines, would you permit the application of the Taylor system to your work as to the time you should write a sentence in, as to the particular adjective you should use in

a particular case if there were several having nearly the same meaning? Would you permit them to govern your time and your motions and where your ink should stand and how your pen should be held?

Miss TARBELL. Well, if they could show me a better way of holding my pen and a better way of placing my ink bottle why shouldn't I permit it? However, you must remember that the Taylor system, so far as it has been applied, applied to mechanical operations. It does not apply and has not been applied to writing. I think it might be a very good thing for most of us if we had something strenuous over us. We are a pretty sloppy people.

Commissioner LENNON. Is there any such thing in a machine shop, for instance, as a mechanical operation without mental activity?

Miss TARBELL. Oh, no; oh, no; and one of the good things about scientific management is that it is a great stimulus to mental activity—a great stimulus. That is, it teaches you the right way to do things. You have to learn it. You have to think whether you are doing it right or wrong all the time. Your mind must be on that. This old mechanical unthinking operation, rule-of-thumb operation, is very bad for the brain. It don't keep you lively enough; don't jack you up enough.

Commissioner LENNON. If there was an attempt by those who purchase the writing of people who write to introduce some system of so-called scientific management, would the writers insist upon cooperation in every detail as to its introduction?

Miss TARBELL. Well, of course, we have over us something that corresponds to that; we have the people that set our standards for literature; we have our critics; we have our editors who are always driving us to greater efficiency. There probably is no class of people that are harder driven for greater output than the journalist by those people over them that are always seeking to make their periodicals more efficient and more productive.

Commissioner LENNON. Well, those general principles apply to the mechanics, too, do they not?

Miss TARBELL. Yes; those principles are very much the principles—they are not nearly so—not worked out so well as for mechanical operation, but they are analogous. That is, I think the more nearly that I can apply the principles of scientific management in my own work the better workman I will be. The trouble with me is I am not an efficient enough person.

Commissioner LENNON. In those places, some of which you mentioned the name, does the bonus system, or the increased wage, that you speak of, apply to all workmen in the shop or industry or only to a small proportion of them?

Miss TARBELL. In some shops that I have been in I think that everybody had the increased wage. In certain other shops not. There are some operations that are very difficult to put under scientific management. You must remember that it is a science that is in its infancy. The workmen come slowly under it. That is, they are slowly educated. It is a system of education.

Commissioner LENNON. Have you found that the unions are opposed to real scientific management?

Miss TARBELL. Well, I can only judge from their expression. I have read all the testimony before this commission, and I certainly got the idea that they did not know very much about it, for one thing; and then another thing, that they were not taking any very active steps to find out. That makes me feel badly, because I believe in unions, and I think there are no people in the country with greater responsibility on their shoulders than the unions; and that they should pass lightly and without thorough investigation on anything in the world that promises to help the men and women under them seems to me very bad.

Commissioner LENNON. You are aware of the fact that the unions most vitally interested have been studying the matter carefully for years, since Mr. Taylor first introduced his system—continuously?

Miss TARBELL. I am very glad to know that, but I have seen no reports that would show it.

Commissioner LENNON. I just wanted to ask you one or two questions regarding the coke industry. Do you remember the time when in the coke fields of Pennsylvania women were to be seen firing the ovens practically stripped to their waists?

Miss TARBELL. Yes; I have seen them doing that.

Commissioner LENNON. Was that under the administration of Mr. Lynch?

Miss TARBELL. I do not know. I never saw any great amount of it—

Commissioner LENNON. Well, I have seen hundreds.

MISS TARRELL. Yes? I never saw a great amount of it.

Commissioner LENNON. Has that entirely been removed?

MISS TARRELL. It is many years since I have seen a woman working around a coke oven. I do not know; I would not say. I think some of the conditions in those coke villages now—in those coke ovens—are as bad as they were. I must judge from the exterior, but it has been many years since I have seen a woman around a coke oven.

Commissioner LENNON. Do you ascribe the changes in such conditions as those that have taken place to the activity and initiative of the steel company or to the agitation of the common people throughout the United States?

MISS TARRELL. Well, I think advancement is always the result of enlightenment on the part of our people that affects everybody. Public opinion on these subjects is enlarging all around. We all of us see this thing much larger than we did 10 years ago. All of us are learning. The steel company has been learning very fast.

Commissioner LENNON. You think that is true?

MISS TARRELL. Yes; I think that is true. The steel company had learned a good deal when it stopped Sunday work. I think you will concede that it learned a big thing then.

Commissioner LENNON. But they have not stopped it.

MISS TARRELL. Well, then, I am misinformed. How much Sunday work do they have?

Commissioner LENNON. I could not say the percentage, but there are quite a number of their plants—

MISS TARRELL (interrupting). Well, I suppose there is always a certain amount of Sunday work in everything; anything that goes on. I know in my house the cook has to cook Sunday dinner. Now, the Sunday work I have seen in the Steel Corporation plants has been this—there are always watchmen. There must be watchmen in those plants. I think we would concede that. The furnace ovens have to be taken care of, and I think that in most of the open hearths there will be a shift come on toward night on Sunday because the furnaces can not be allowed to get cold without great loss. I really believe they are making an effort to stop Sunday work, and that they have cut off a great deal of it. I would not want to say that the Steel Corporation has the largest views of labor in the world, but I think they have done some mighty good things in the last year. They have been willing to say this: "We have been doing things that were not right and we have put our whole force to correcting what is wrong." Now, I say that is acting like a man. They have not stopped by any means. They are going on at this very time. Then, this safety work of theirs—that is the best that there has been in any country. If the union would take the code that they have laid down for their places and say, "We are going to insist upon this in all plants," they would do a great thing for themselves. Their sanitation work is a great work. They are enlarging all the time. They are learning. Let us give them a chance. We all have lots to learn about these things.

Commissioner LENNON. We admit that, but hasn't the workingman in an industry as much right to initiate reforms as the employer?

MISS TARRELL. Oh, yes.

Commissioner LENNON. And have the say as to whose ideas shall be tried out?

MISS TARRELL. He certainly ought to have.

Commissioner LENNON. Well, where has that been done by the steel company or any of the other great corporations?

MISS TARRELL. Well, take this safety work. I think if you will examine the records of the safety work that you will find a great many things suggested by the workers that are being tried.

Commissioner LENNON. By the individual workmen themselves?

MISS TARRELL. I know that to be true. Isn't that true?

Commissioner LENNON. By the individual workman, yes.

MISS TARRELL. By the individual workman.

Commissioner LENNON. But by cooperation of all the workmen in the plant or industry?

MISS TARRELL. Well, that whole safety work is cooperative work. There is no steel company that does not have a safety committee made up of the men, and they are cooperative in their tendency, which is always a good thing.

Commissioner LENNON. That is all.

Chairman WALSH. Commissioner Weinstock would like to ask a few questions, please.



Commissioner WEINSTOCK. If, as you pointed out, Miss Tarbell, the eight-hour day is practicable and profitable in the Illinois steel mill, why could it not be made practicable and profitable generally?

Miss TARBELL. I think it could, myself. I am perfectly convinced of that.

Commissioner WEINSTOCK. Then you know of no good reason why it ought not to be a common condition?

Miss TARBELL. The only reason why it is not a common condition is of course the matter of efficiency and of intelligence in installing it.

Commissioner WEINSTOCK. Well, now, is there any corporation that you know of that has at its command higher brains—better brains and higher ability than this steel company, for example?

Miss TARBELL. No; I think not.

Commissioner WEINSTOCK. They have the best that money can employ anywhere?

Miss TARBELL. Yes. They ought to have anywhere, at least.

Commissioner WEINSTOCK. Why should it not be possible for them to establish it if that has been established in smaller concerns?

Miss TARBELL. I believe it is possible for them to establish it. I believe they ought to do it. I know they are contemplating it. At least I think if you read their public statements—and that is what I depend upon—you will find that there is much talk of this. They feel, I suppose, that changes of that kind in corporations as big as theirs and as unwieldy with so many different influences, are slowly made. We can all understand that it is a pretty big undertaking in its operation.

Commissioner WEINSTOCK. Well, I remember reading recently a copy of the last annual report to the stockholders of the United States Steel Co., and as I now recall it there was a statement made therein to the effect that it was not possible to operate the mills on an eight-hour basis, and yet that is what you say you saw with your own eyes in Illinois is a fact, then it would indicate that the writer of that statement was in error.

Miss TARBELL. Yes.

Commissioner WEINSTOCK. And that it is possible to establish an eight-hour shift.

Miss TARBELL. Yes.

Commissioner WEINSTOCK. In that industry?

Miss TARBELL. I believe it is possible from what I have seen.

Commissioner WEINSTOCK. From the study that you have made of scientific shop management, you believe, Miss Tarbell, scientific shop management is compatible with collective bargaining?

Miss TARBELL. Yes; I do.

Commissioner WEINSTOCK. And the two can go hand in hand?

Miss TARBELL. I believe so. That is, you can in most shops; the basic wage in many of them of course, is the result of collective bargaining. They start there.

Commissioner WEINSTOCK. Yes.

Miss TARBELL. And I do not see why the bonus or the premium or the additional wage, whatever form it may take, should not be fixed collectively. I do not for myself just see how it can be done, but if that is the point at which labor sticks, then I think that is the point that ought to be considered. I do not see why it should not be worked out. I think there are a great many scientific experts that feel that it can be worked out.

Commissioner WEINSTOCK. Well, scientific management—as you have just explained—is based upon the standard wage and a plus in the form of a bonus.

Miss TARBELL. Yes.

Commissioner WEINSTOCK. Therefore, collective bargaining is essential to establishing the standard wage—the basis?

Miss TARBELL. I think myself it is a good thing, collective bargaining for the basic wage, and collective bargaining is good for anything, that all of these things ought to be done collectively, cooperatively—everything.

Commissioner WEINSTOCK. And as I recall it, we have had scientific management experts on the witness stand who have given it as their opinion that where scientific management prevailed unions were needless. And I think we have had some even go so far as to say that they would not cooperate with organized labor in scientific management because they had found that organized labor was hostile to the introduction of scientific management and would hinder it wherever possible, and therefore they regarded organized labor as a disadvantage in shops where scientific management was introduced. Now, is there a sound basis for the position of these experts?

Miss TARBELL. Of course, I do not know the particular experience on which they are basing that statement. Of course, the installation of scientific management in shops is a very difficult problem. It is a long problem. There are a great many factors involved in it. A man has his hands pretty full, and as I understand it in going into a shop these engineers demand—they are superior to the employer. They will allow no interference with their method. They have what they believe to be a scientific formula to be installed where people have to be persuaded to do that; they have to be taught that. You have got to teach the man generally at the head. He does not know what it is about and generally he goes at it, he is making an experiment for the time he is fooling away, and it is a waste of money, and all of the managers must be converted and all of the workmen must be converted, everybody throughout the shop has to be converted, and they have to learn. It is like sitting down to learn a new science, to learn a new calculus. It takes a long time.

I think what they fear is they fear the interference of a man who don't know what it is all about. They think they have trouble enough, and they say they would have more trouble if they had the union. He feels that the union is going to object to scientific management because it has not taken in its representative, can't take him in. Why, then, I think it is the part of intelligence and wisdom on the part of scientific employees to take them in as far as he can and explain it to them as he does the manager, because he has got to convert everybody to it.

Commissioner WEINSTOCK. Do you believe, Miss Tarbell, that workers should have a voice in fixing the bonus given for high efficiency?

Miss TARBELL. Yes; I think the worker should have a voice in everything that concerns him.

Commissioner WEINSTOCK. You believe, then, in industrial democracy?

Miss TARBELL. I do, absolutely.

Commissioner WEINSTOCK. Let me repeat a statement made by Mr. Brandeis before the Industrial Commission in Washington some months ago in connection with scientific management, and let me ask, if I may, in how far you concur with his point of view. He made the statement that he thought organized labor was making a great error in fighting scientific management; that he believed it was organized labor's greatest opportunity to cooperate and to do and to aid in its installation because he believed it was in the interest ultimately of the worker, and that if organized labor continued hostile to scientific management it could lose its usefulness, because scientific management had come to be—come to stay and would be introduced regardless of the attitude of organized labor, and therefore it was wise, in his judgment, for organized labor to welcome it rather than to fight it.

Now, in how far do your observations and your investigations lead you to concur in that opinion of Mr. Brandeis?

Miss TARBELL. I concur absolutely in that. My interest in scientific management is because I believe when properly installed it makes for industrial democracy, and the one that it serves most is the workman. Of course, you can't blame labor leaders or workmen for being suspicious of what they don't understand, but no man has a right to allow his suspicions to interfere with that which may possibly serve those that he leads. We should try all things.

Commissioner WEINSTOCK. Yes; they ought to have the open mind.

Miss TARBELL. They ought to have the open mind, and they ought to do a tremendous amount of good hard work on the subject. It is a hard thing to understand. I do not pretend to understand a science that it took 25 years to develop. And it has had some of the best brains in this country at work on it.

Now, it can not be dismissed this way, because we do not understand it. We must put our minds to it. I think Mr. Brandeis is perfectly right in saying that this thing will go on any way. Another reason for the thorough study of it by labor men is that, like all things it may be abused.

Commissioner WEINSTOCK. Would that abuse not be kept in check, in restraint, if labor had a voice.

Miss TARBELL. That abuse always destroys the system, but it could be prevented if you had an intelligent voice.

Commissioner WEINSTOCK. That is all, Mr. Chairman.

Chairman WALSH. Commissioner Ballard would like to ask some questions.

Commissioner BALLARD. Just one question regarding scientific management. Does this scientific management encourage the eight-hour day?

Miss TARBELL. Well, wherever I have found a shop under scientific management the hours have been greatly reduced. The hours in this Pilgrim Laundry

to which I referred to have been reduced to 46½ a week. Scientific management means that you have got to keep a body of people in good condition; their minds active and fingers nimble, feeling like work, and you can not do that if you have got too long hours.

Commissioner BALLARD. You spoke awhile ago of the increase in the cost of living being more rapid than the increase in wages. By that do you mean the increase in the cost of so-called necessities of life, food and the cheaper grades of clothing, or do you mean in the increased demand on the part of the world that everybody almost in this country has for some articles which some years ago were called luxuries and are not called necessities. Is that where the cost of living comes in?

Miss TARBELL. Of course, that comes in. But if you take what we call necessities—bread, meat, rents, common clothing—the statistics of the Bureau of Labor show that the cost of living in the last 20 or 25 years has kept a little ahead of the rise in wage. I think that nearly always happens. It has happened, I think, quite markedly in the last 20 years.

Commissioner BALLARD. While I am not prepared to argue the question of the high cost of living—you spoke first of flour and that the flour up to last July was cheaper than it had been, except once or twice in the last 20 years.

Miss TARBELL. Yes.

Commissioner BALLARD. And for corn meal and other articles of food?

Miss TARBELL. Did they get it in the loaf of bread that we buy?

Commissioner BALLARD. If it became so much of a luxury that they did not make their own bread and bought fancy cakes, that is getting back to the form of luxury, that is the very point I want to ask if you have studied.

Miss TARBELL. Well, I believe, Mr. Ballard, that a great many things that 20 years ago were called luxuries rightly have become necessities. I believe the workman ought to have as necessities more of the things that once were luxuries. All of the good things of this world ought to be more evenly divided, and that the means by which they get them ought to keep pace with that increased demand. I think that is the right thing.

Commissioner BALLARD. The reason why we should not all enjoy some of the so-called luxuries?

Miss TARBELL. Certainly. Everybody ought to enjoy all the reasonable luxuries.

Commissioner BALLARD. Just one more question. Have you made a study at all where any factory or any plant has gone from the 12 to the 10 hour day, and from the 10 to the 8 hour system, as to what the workmen do with that added four or five hours of leisure?

Miss TARBELL. Yes.

Commissioner BALLARD. Has it had a tendency with the shorter hours to reduce the amount of drinking and reduce the amount of gambling, so called?

Miss TARBELL. I suppose we could all of us pick up a man who, when he had only eight hours to work, spent that two extra hours in a saloon. But the shorter hours reduce the amount of liquor consumed by the working people. The liquor is often taken by people who are overworked to whip up their jaded energy. That is what makes—it is the 12-hour day that makes the drinking—because if you work 12 hours a day you are worked out, and you have got to get something to whip you up, and probably liquor is the thing to do it. I believe shorter hours makes for sobriety. I believe it makes for health. In most places where I have seen the eight-hour day in operation sports were increasing enormously. That is one thing that has increased in the Steel Corporation enormously. With the putting in of the eight-hour day—nearly three-fourths of the men are on the eight-hour day—you will find in all the steel plants big ball games, people, the men, all playing ball. You will find that the libraries on the shorter day are better patronized. That is a matter of statistics. I can give you statistics from Vandergrift and Homestead on that point. I do not have them here. I was out in Wisconsin a year ago and one result of the shorter-hour day out there was the number of men in night school. The men go to night school. They were using their time to improve themselves.

And Mr. James Duncan, the head of the granite-cutters' association, who was before this commission, states that with the shortening of the hours of the granite cutters the number of men who went to night school and that went in for sports was pronouncedly increased. The men are decent, and the shortening of the hours naturally makes them want to do that.

Commissioner BALLARD. Perhaps you might give us those figures some time, in a tabulated form, so that we may have them in our files.

Miss TARBELL. I will be very glad to do that.

(The following communication was subsequently received from Miss Tarbell:)

THE AMERICAN MAGAZINE,  
New York, April 23, 1915.

MY DEAR MR. BROWN: Will you pardon my delay in replying to your letter of some time back? I have been much occupied. You ask me for figures in a tabulated form of the increase in the number of granite cutters attending night school since they have had an eight-hour day. I have no tabulated figures; the information comes to me from Mr. James Duncan, the president of the Granite Cutters' Union. You will find this statement from Mr. Duncan in an article in the American Magazine for April in an article of mine on "Hours":

"The granite cutters seek new entertainment; they are in evidence in drawing and modeling schools in the evenings of the winter season and conspicuous in athletics in summer. Some of our members have developed into great baseball stars in major leagues. Boating, swimming, long rural walks, bicycle riding, and occasionally a week of vacation are in evidence. Homes are happier, and our members and those dependent upon them and associated with them are better fed and better clad than at any time in our trade history."

I think I also mentioned the increase in the use of books in the Homestead library in the last few years. There are no tabulated statistics; but the increase has been since Sunday hours were stopped and conditions improved. At Vandergrift, Pa., there is a steady increase in the number of books read by the men, noted by the librarian, who has been there for a number of years.

They have been steadily adding technical books to the library. There is an increased use of these among the mill workers. The librarian also tells me that the quality of the fiction read by the mill men is much higher. I think that you will find that wherever the management takes pains to encourage night schools there is a good response. At Beloit, Wis., there is a night school where the foreigners are particularly keen to learn English. Wherever I have been where there were libraries in factories or where there were night schools and classes I have found the mill and factory workers using them freely. I am sorry that these statements are so general, but I have not had an opportunity to put in tabulated form the information I have gathered.

I find I have a copy of a section of the report of the commission belonging to you—No. 6; I am returning it to-day by express.

Sincerely, yours,

IDA M. TARBELL.

Mr. LEWIS K. BROWN,  
703 World Building, New York City.

Commissioner BALLARD. That is all.

Chairman WALSH. Mr. Garretson would like to ask you some questions.

Commissioner GARRETSON. Going back, Miss Tarbell, to a question that was asked you by another commissioner a moment ago, in which you aligned yourself with Mr. Brandels's opinion, is your opinion on the relation of the labor unions, or a great many of them, to efficiency as wide as Mr. Brandels's or as complete?

Miss TARBELL. I do not know how broad that is. I do not pretend to be an authority. I only know what I have seen.

Commissioner GARRETSON. Mr. Brandels makes his remarks, I believe, through his record of efficiency in connection with the operation of railroads.

Miss TARBELL. Yes.

Commissioner GARRETSON. And when Mr. Brandels appeared before this commission he was not even aware of the fact that all the train and engine service organizations, labor unions, have been on time and bonus systems for 30 years. Were you aware of that fact?

Miss TARBELL. Yes.

Commissioner GARRETSON. Then, is your conclusion still the same—that the unions work against it?

Miss TARBELL. Well—

Commissioner GARRETSON. It was devised by them, wasn't it, by the unions themselves?

Miss TARBELL. Oh, but the time and bonus are only one element in scientific management.

Commissioner GARRETSON. Does not Mr. Emerson claim that he founded his whole system on the system that is in effect in train and engine movement?

Miss TARBELL. I do not know what Mr.——

(Commissioner GARRETSON (interrupting). Harrison Emerson's declaration.

Miss TARBELL. I know very little of Mr. Emerson's work.

Commissioner GARRETSON. Is not Emerson one of the leading efficiency engineers of the country?

Miss TARBELL. I believe he is called so. I have never been in an Emerson shop, but the bonus is only one element in scientific management; it includes the standardization of tasks—teaching the tasks.

Commissioner GARRETSON. Isn't it associated with every one of those systems in one form or another?

Miss TARBELL. The task and bonus?

Commissioner GARRETSON. Either bonus, time bonus or cash bonus.

Miss TARBELL. Oh, yes. There is some form of giving of an increased wage for increased efficiency.

Commissioner GARRETSON. What has been the experience of workingmen, not necessarily union men at all, with bonus systems, covering four or five years back?

Miss TARBELL. It has been pretty bad, Mr. Garretson.

Commissioner GARRETSON. Hasn't it been invariably used as a means of increasing the output, under ostensibly increasing earnings, and then being used to lower wage? I use earnings and wage in a directly opposite sense.

Miss TARBELL. Not invariably; no, sir.

Commissioner GARRETSON. Has there been any variation from it, except with the occasionally humane employer?

Miss TARBELL. Well, of course, the man that is inhuman is inhuman with his employees. The human man is fair.

Commissioner GARRETSON. And I am drawing that exception, that there is the occasional humane employer who does not do it, but the general class, it has, at least, that way they did not.

Miss TARBELL. I think there has been an immense amount of cutting of rates.

Commissioner GARRETSON. Isn't it a fact that the opposition lies with the laboring man and not necessarily with the union man only?

Miss TARBELL. I think there is a great suspicion of that, Mr. Garretson; that is exactly what labor ought to see, that this is a different kind of thing.

Commissioner GARRETSON. When labor draws on its experience is it not, in a certain degree, justified in desiring to be shown?

Miss TARBELL. It certainly should desire to be shown. What I am complaining of is they are not working hard enough to be shown.

Commissioner GARRETSON. You spoke of the betterment of conditions in certain places which you had investigated in the coke and coal industries where they had been giving the—the company had furnished the men with decent homes and with desirable gardens. Should not the wage, as an equitable proposition, be high enough to allow every man to furnish those things for himself?

Miss TARBELL. The wage down there, Mr. Garretson, was good. It was the union scale. You must remember that these particular people were almost invariably foreigners, few of them spoke English; they were in an industry where the houses had to be built by the company or there would have been no place for them to live. That may be a deplorable thing, but there are such situations. The houses had to be built for them, and a piece of ground was added. I think myself everybody ought to have a piece of ground to play with.

Commissioner GARRETSON. Would they not want to let the men acquire title to the ground, or is it——

Miss TARBELL. I do not think anybody—I do not think any sane workman would want to acquire a piece of ground for a home over a coal mine which may be exhausted at any time.

Commissioner GARRETSON. Is not a very large proportion of the property in Pennsylvania, for instance, owned by the average citizen over a coal mine?

Miss TARBELL. There is a great deal of it.

Commissioner GARRETSON. There is the tendency on the part of men to acquire land even over coal mines if the opportunity is there.

Miss TARBELL. Unquestionably.

Commissioner GARRETSON. Should not safety legislation, to which you gave some prominence, go hand in hand with the wage that makes life worth living or furnish an incentive to safety?

Miss TARBELL. Unquestionably.

Commissioner GARRETSON. Have you ever heard of safety coming into any prominence until after the enactment of laws that make it a good investment—liability laws and compensation laws? Did it ever gain any prominence until then?

Miss TARBELL. I know one concern; 25 years ago safety experts were put on the plant and a compensation policy enacted in that particular shop which is much more liberal than the compensation provided by the safety laws which have recently been enacted in that particular State.

Commissioner GARRETSON. There comes again the humane exception. Do you know of any other case?

Miss TARBELL. Yes; I do. I know of one big shop in New England where for years the most advanced safety appliances have been constantly worked out, and where they have been applied, and where it has been a continuous study to improve the safety.

Commissioner GARRETSON. That is true. How many manufacturing plants are there on the continent?

Miss TARBELL. Well, I don't know.

Commissioner GARRETSON. If there are 600,000, for instance, and there were, say, 10 instances where this had been done, would it prove anything except that there was the occasional exception to a rule? Did you or anybody ever hear publicity given to the slogan "Safety first" until following the enactment of the laws of the kind I have named?

Miss TARBELL. The safety slogan in the steel company in Pennsylvania, for instance, was used 15 years ago, and that was at a time when there was practically no safety laws on the books.

Commissioner GARRETSON. No safety laws back of 15 years?

Miss TARBELL. Not to amount to anything. Of course, we have had safety laws, and we have had safety experience, but not highly developed.

Commissioner GARRETSON. Where did the initiative come for the enactment of the present code, even as weak as it is, of social legislation?

Miss TARBELL. Where did it come from?

Commissioner GARRETSON. Where did the power to enact it and the influence come from? Where did it have its initiative?

Miss TARBELL. Well, I think it has come from all along the line.

Commissioner GARRETSON. Where has the general opposition to such legislation lain?

Miss TARBELL. The improvement in the world has come largely from the men at the bottom pushing up—always comes from that.

Commissioner GARRETSON. How do you reconcile your conclusions that the union has its place and its mission in connection with efficiency, in the face of the declaration of not only the high priests of efficiency and movement, but of the men, the most prominent men who are handling the plants where it has been put in? I am talking of a particular declaration before this commission only.

Miss TARBELL. I am not trying to reconcile my notions with it. These are simply my notions.

Commissioner GARRETSON. Well, then, in the face of their declarations and attitude, your conclusions would be absolutely inoperative that they should go hand in hand?

Miss TARBELL. I think you have had two safety experts before this commission.

Commissioner GARRETSON. One or two.

Miss TARBELL. Who have said that they believed that labor should be recognized, organized labor.

Commissioner GARRETSON. Yes; two of them.

Miss TARBELL. I think if you will examine—

Commissioner GARRETSON. (Interrupting). To what extent? What were the qualifications that accompanied that declaration of it.

Miss TARBELL. I think they would have to qualify them in the same way that I qualify them, by saying that they did not know how it was going to be done. I do not think they know how it is going to be done, but there are lots of things we think must be done that we do not know how to do.

Commissioner GARRETSON. You described the attempt of the scientific expert when he came into a place—you stated you believed in industrial democracy.

Miss TARBELL. Yes.

Commissioner GARRETSON. Is not the efficiency expert nothing but a form of individual despotism, as you describe them?

Miss TARBELL. No; I would not say so.

Commissioner GARRETSON. He is absolute.

Miss TARBELL. Well, my dear Mr. Garretson, then we may say the teacher is an absolute despotism in the school. We may say anybody that is teaching a thing, trying to install a thing, is an absolute despotism.

Commissioner GARRETSON. The efficiency system would restore to the employer the absolutism that he possessed until the banding together of his employees had taken a part of that absolutism away from him, would it not?

Miss TARBELL. Oh, I do not think so, Mr. Garretson. If I believed that for one moment I would not be saying what I am, not for a moment.

Commissioner GARRETSON. That is all.

Chairman WALSH. At this point we will take a recess until 2 o'clock. Will you kindly return at that time, Miss Tarbell?

(At 12.30 o'clock p. m. of this Tuesday, January 19, 1915, a recess was taken until 2 o'clock in afternoon of the same day.)

#### AFTERNOON SESSION—2 P. M.

Chairman WALSH. The house will be in perfect order, please.

Miss Tarbell, prior to luncheon I was asked to call your attention to a statement in a report of the committee of stockholders of the United States Steel Corporation of 1912 upon the question of the 12-hour day, which reads as follows:

"To ascertain the number of employees of the Steel Corporation working on a 12-hour schedule, exclusive of officials, managers, and clerical force, we have examined the records of 175,715 men. Of this number we found 42,208, or 25½ per cent are at present working 12 hours a day." Dated April 15, 1912.

And also a statement as to wages, hours, and other conditions of labor among the employees of the United States Steel Corporation and subsidiary companies, and dated February 20, 1914, which reads as follows:

"Leaving out of consideration employees engaged on railroad trains, ships, and general administrative work, only 22.5 per cent of our employees work 12 hours a day, and we are making efforts to further improve conditions."

I was asked to call your attention to those figures. Commissioner O'Connell has a few questions to submit to you.

Commissioner O'CONNELL. Miss Tarbell, do I understand you speak on the efficiency question as one having had personal experience with it or as an expert in the matter of putting it into effect?

Miss TARBELL. Oh, no; not as an expert.

Commissioner O'CONNELL. Have you had any personal practical experience in the matter of its management or putting it into operation?

Miss TARBELL. I have not; I distinctly said I am an observer, a journalist.

Commissioner O'CONNELL. Either from the employers' or the workmen's standpoint?

Miss TARBELL. This has been my experience: I have visited several plants in which the system was being put in operation and also several plants in which the system had been installed for a considerable period. I have gone through the shops carefully and have talked with a good many of the workmen under the system, and I have observed the general conditions, looked into the hours and the wages and the general atmosphere of the shop; informed myself, not as well as I might, perhaps, but as well as my time permitted. I have also read a good many books and talked with various experts.

Commissioner O'CONNELL. Have you known of instances where scientific management has been put into operation and then discontinued?

Miss TARBELL. I have never examined a plant where it has been discontinued. I have known of plants where it has been discontinued; I have known of several. I know that in some it was discontinued because the system had been abused; I know of others where it was discontinued because there was not the full cooperation of management it requires. I have known of others where it had been installed by so-called experts who were charlatans and did not know the business.

Commissioner O'CONNELL. Have you observed the effect that the introduction of the so-called scientific management, or other things akin to it, have had upon the management as to the workers, either favorable or otherwise?

Miss TARBELL. I have never known of its breaking up the organization in any shape. I do not see why it should.

Commissioner O'CONNELL. I believe you said in the beginning that the effect of the introduction of a true system of scientific management, or words to that effect, that it would have the effect of increasing wages and reducing the hours of labor?

Miss TARBELL. I think that has been the effect.

Commissioner O'CONNELL. Can you point to any institution where that effect has occurred?

Miss TARBELL. Oh, yes; in this town there is a laundry that is under scientific management. It has been installed very carefully and over a long period of years. I suppose you know something about what laundry hours are. The hours have been reduced to 46½ and they are regular; that is, there is no night work. That has been done by the application of efficiency principles and nothing else.

Commissioner O'CONNELL. No application to State laws?

Miss TARBELL. They are much below the State laws, which are 54 in this State and 46½ in this laundry. They have been gradually reducing hours for a number of years under scientific management.

In the cloth craft in Cleveland they have reduced their hours to something like—I was going to say 43½, but I think that is too low—it is nearer 45, but it is much below the legal number of hours.

Commissioner O'CONNELL. Now, going into the manufacturing where scientific application has tried to have been employed, the machine shop is a common place for all scientific experts, as a prey, you probably know—

Miss TARBELL. I should not use the word "prey"—pardon me.

Commissioner O'CONNELL. I have spent the greater portion of my life in machine shops, that being my trade, and I know something when I say "prey." For instance, the steel company—Mr. Taylor.

Miss TARBELL. Yes.

Commissioner O'CONNELL. Was originally employed in the introduction of the so-called Taylor system, in the Bethlehem Steel Works, and if you know anything of the Bethlehem Steel Works, you know the hours have not been reduced.

Miss TARBELL. I have never been at the Bethlehem Steel Works.

Commissioner O'CONNELL. The Midvale Steel Co., of Philadelphia, if you have read his books you will note his application to the Midvale Steel Co.?

Miss TARBELL. Yes.

Commissioner O'CONNELL. And outside of a portion of the work performed in that institution under Government contract, which requires eight hours by law, I think you will find there has been no reduction of hours. The Link Belt Co., which you referred to, their plant at Philadelphia is operated under the usual basis, and their plant in Chicago, which is a larger plant, is operated on a different basis, and both of these managers of these plants are the same, but I think you will find in both cases the hours have not been reduced.

Miss TARBELL. The hours in the Link Belt Co. are the legal hours of the State. I spent a day in the shops not so very long ago talking to any man that I wanted to. In the middle of the afternoon I talked to one elderly man and apologized for taking his time—I knew that he was working on piecework—and he said, "My day's work is finished. It was finished a half an hour ago. What I do now—this was at 3 o'clock in the afternoon—what I do now is pure velvet, and if I want to talk, I feel I have a right to talk, because I have finished my day's work."

Commissioner O'CONNELL. The scientific management is not in effect there?

Miss TARBELL. Oh, yes.

Commissioner O'CONNELL. With the man's time being wasted in that manner?

Miss TARBELL. In the Link Belt Co. the man had finished what he called his task. He was at liberty to do whatever he wished. In the Taylor Co.—I am speaking for the Taylor Co.—I know it to be true there, the men finish what is called their task. Of course, you understand the term—that they rarely occupy in that task their full eight hours—no; it is a nine-hour day—yes; it is a nine-hour day.

Commissioner O'CONNELL. Fifty-four-hour week?

Miss TARBELL. Fifty-four-hour week. Yes. They rarely occupy their full time. The day that I was in the Link Belt Co., but I should say I saw a half a dozen men leave about 4 o'clock in the afternoon. They had earned their bonus.



Commissioner O'CONNELL. Under that system how would you provide, Miss Tarbell, for the man who is aging, whose sight is failing, whose activities are failing, to keep up the pace after the task is once set?

MISS TARBELL. Well, I think that man should always have special consideration.

Commissioner O'CONNELL. Is there any provision under the present method of scientific management of taking care of that man?

MISS TARBELL. There is the provision any intelligent man would make, any man who is intelligent enough to honestly install scientific management will be a man of sufficient intelligence to take care of such cases as you mention. I feel quite convinced about that—under the absolute unqualified installation of the system—the weak and the old and the incompetent go out.

Commissioner O'CONNELL. And would you hold that the introduction of scientific management, as you see it, would minimize industrial unrest?

MISS TARBELL. I think anything that gives men more hope, anything that makes them feel that a way has been opened for them to advance, anything that gives them a fairer wage, more fitted to their abilities, which gives them more reasonable hours and better conditions, ought to take away industrial unrest. If I understand industrial unrest, it comes from the fact that men are not being treated with justice; that they feel that they have no hope; that they feel the conditions under which they live are cruel, and that keeps them down. Anything that opens life to men, as I believe scientific management does open, ought to decrease industrial unrest.

Commissioner O'CONNELL. As a woman of great experience, of travel and opportunity, of seeing industrial life—this commission is created to ascertain what are the underlying causes of industrial unrest, and I am sure the commission would appreciate an expression from you as what you consider the causes of industrial unrest, real downright cause, something that we might recommend to Congress, as the reason for this industrial unrest.

MISS TARBELL. I think it arises from the desire of men to better themselves. I believe that it is inherent in every normal intelligent man to want to better himself. He finds himself frequently in an industrial impasse; he can not better himself. He is tied down by the conditions of his labor and the obligations that he has upon him. Now, whenever a man feels that there is nothing open for him, that there is nothing but one eternal hopeless grind, and out of that grind he is not getting what he wants to develop himself, to educate his family, to give his wife the comforts of life—that he is not getting life—you are going to have unrest, I think our ideas of what makes life worth while are all the time expanding. They are expanding because of the diffusion of education, the freer circulation of men and women in this great country, this fact that every idea that is afloat is put before everybody—I think our industrial unrest comes from feeling that we have a right to more life than we are getting. Industrial unrest is a wonderful expression of the desire of men for more life. Men are going to get it, and they have a right to get it. They have a right to struggle to get it, and in that struggle they should have the help of the best brains. There is nothing which is right or just or sound which should not be brought to their help. Nothing which is right and just and sound should be kept away from them. All those things will prevail, and those are the things that the great rank and file of men have a right to have brought to them. That is what leaders should bring them—the best that there is.

Commissioner O'CONNELL. From your observation what influence or concern or form of organization or association in our time has done the greatest work in the matter of uplift, bringing those opportunities to live you speak of, what influence has been at work?

MISS TARBELL. There have been many influences at work. Probably our great educational system is chief. It is probably the basic cause of unrest. If you do not want people to be restless, do not let them know anything. The more they know the more restless and ambitious they are going to be.

Commissioner O'CONNELL. Their industrial life—as to their industrial life?

MISS TARBELL. Education, the workman knows, wins. He is determined to help himself by anything that he can get hold of. He will help himself by unionism, and he has helped himself enormously by unionism. What he wants and what he needs is a bigger union that has more knowledge in it, a union that has more breadth of mind—a union that is as big as the world, as big as life. That is what he ought to have.

Commissioner O'CONNELL. You think he ought to have a greater opportunity, a fairer opportunity to deal with his employer as to the conditions under which he should be employed, sell his labor?

Miss TARBELL. I think the workingman ought to have the fullest opportunity to deal with his employer; an employer who refuses to deal with the individual workman or who refuses to deal with any body of workmen makes a terrible mistake.

Commissioner O'CONNELL. Do you think the individual worker, even though he may get an opportunity of presenting his grievance, that he has a fair chance single handed to take care of his grievance with the large employers to-day as they are?

Miss TARBELL. Individually?

Commissioner O'CONNELL. Yes.

Miss TARBELL. Well, I think that will depend a good deal upon the individual, how intelligent he is. I think in some cases the individual has a very fair chance; in others he has not a fair chance. Of course, things in different corporations, in different companies, differ, the practice differs greatly. I think it is a great mistake not to hear everybody, and a great mistake not to listen, whether they come to us as individuals or whether they come to us as a union.

Commissioner O'CONNELL. How would it be possible for the individual workman, the man, woman, or child as case might be, to bring about the reduction of his or her hours of labor, individually?

Miss TARBELL. Well, it would depend upon how strong a plea he could make. I think it sometimes is done. There are individuals—perhaps the old man of whom you spoke, the man that is not well equipped, might get some concession. I know in this town of a department store in which—of course, the labor in the department store is not organized at all—one very good shop in the town in which it has been the practice to hear different cases and to adjust the wage and adjust the hours frequently. I do not think that is a good practice, because, of course, there should be just as great a uniformity of wage for the same work and uniformity of hours, if possible.

Commissioner O'CONNELL. Have you given thought to the question of remedial legislation as to why these—at least, what appear to the workmen of the persistent opposition on the part of employers against the putting into law of remedial legislation for labor.

Miss TARBELL. The opposition of employers to remedial legislation has always seemed to me to be due to unintelligence and stupidity and greed. Of course, I am granting that it is good legislation. A great deal of the remedial legislation we have offered has not been carefully enough thought of. We have a good deal of legislation that is presented by people who don't know anything about industry.

Commissioner O'CONNELL. I am speaking of such as child labor—child labor and laws to protect women and laws to protect children, and compensation.

Miss TARBELL. Of course.

Commissioner O'CONNELL. Reduction of hours—those laws that are really beneficial.

Miss TARBELL. The opposition of that kind is wrong. It is due to unintelligence.

Commissioner O'CONNELL. As, for instance, in the great State of Pennsylvania, where all these large, immense industrial plants are, with all its wealth of coal in the earth; yet there has not been upon the statute books of Pennsylvania a compensation law in that State.

Miss TARBELL. Of course, that is all wrong.

Commissioner O'CONNELL. There is an opposition there?

Miss TARBELL. Certainly there is an opposition. There is opposition—

Commissioner O'CONNELL. Two-thirds, or, at least, more than half of our States have agreed that compensation laws are a good thing and have put them on the statute books, and yet the great industrial State of Pennsylvania has not. What is the opposition there?

Miss TARBELL. I think it is stand-pat, high-tariff minds; that is what I think it is. There is a bad case of that in Pennsylvania.

Commissioner O'CONNELL. That is all.

Chairman WALSH. I have been asked to ask you one other question which has been submitted. Do you believe that the cause of the trade-unions falling to recognize the principles of scientific management is due to the fact that they fear a steady increase in the output of manufacture, thereby causing the dis-

missal of many of their members, and that scientific management might be the entering wedge for dissolution of their organizations and eventually bringing about intense competition and a reduction in wages?

Miss TARBELL. Take the first part of that question.

Chairman WALSH. Yes; it is rather long.

Miss TARBELL. There is a fear of increase in production? I think that that is one cause. I think the fear of abundant production is very great. We have been brought to that kind of an economic policy. We have been trained to believe that we must always produce a little less than the world will take in order to keep prices high. That has been the policy of our great trusts, and they wanted to underproduce a little, in order that they might keep the price high. When they saw the market being flooded and prices going down, they would shut off production if they could—shut down—in order to keep prices high.

I was in a western State in October, and there was a tremendous apple crop through Missouri and Illinois last year. In one of the great cities of one of those States, 1,000 barrels of apples, so I was told by a commission merchant—and he is a perfectly honest man—he said, "A terrible thing has just happened in this town, 1,000 barrels of apples—hundreds of barrels of apples—have been thrown into the Mississippi River in order to keep up the price of apples." Now, this keeping down of the production in order to keep prices up is supposed to make prosperity.

I think it is perfectly natural that the workingmen, living under that influence, believe that they must always keep their product down a little if they are going to keep their wages up. That is like all the rest of us, we have been laboring under what I believe myself to be an utterly false idea, that you could not have too much—that too much was to pull us all down—was going to destroy us. I believe myself that there is nothing that makes work so much as work. That the more you do the more you have to do; that you must produce just as abundantly as nature will let you produce in order that all the world may have all it wants.

In our own country we are not giving all our people all they need, let alone all they might legitimately want. There are millions of people the world over that we might be feeding if it was not for this fear of abundance on our part. I think it is one of the most pernicious things. It catches us all. We get scared, a little more scared, and we want to stop working. Everybody wants to stop manufacturing. No, I think the workman must revise his political economy, really. I think it is up to him to see that it is for the good of his own people that he wants to have everything abundantly and that we can not produce too much.

Commissioner LENNON. Would you be so kind as to give me the names of any trade-unionists that are known to their next-door neighbor and not known any farther.

Miss TARBELL. Known to their neighbors? I do not quite understand.

Commissioner LENNON. I mean any trade-unionist that has had membership in the union, not men that are known all over the United States, that hold to the theory that you speak of that they are afraid of scientific management because of increased production—any one of them?

Miss TARBELL. No; I can not give you the names of any one.

Commissioner LENNON. I would like to meet them and show them the error of their ways.

Miss TARBELL. My impression has been obtained from reading the testimony before this commission, before Congress, and testimony that was taken out in Wisconsin. That has been the impression that I have got.

Commissioner LENNON. I want to show you that you are mistaken.

Miss TARBELL. That is perfectly logical—

Commissioner LENNON. You are entirely mistaken.

Miss TARBELL. Very well; I am delighted to know it.

Commissioner LENNON. We hold to the very opposite theory, that increased production betters conditions.

Miss TARBELL. Well, that is what I believe to be sound.

Chairman WALSH. Commissioner Garretson would like to ask a question.

Commissioner GARRETSON. Assuming for the moment that the workman did do what you are recommending, revise the political economy, or his theory thereof?

Miss TARBELL. I am just informed that I was not correct in my idea.

Commissioner GARRETSON. Assuming for the moment that it is, and that he revises it.

Miss TARBELL. Yes.

Commissioner GARRETSON. That he increases the production, and that he adds to production, if the employer did not revise his, and when the amount that had formerly been produced was produced, the experiment of throwing apples in the river would be repeated, and the employer stop production, what good would the revising of the workman's politics be?

Miss TARBELL. Would not do any good at all. We have all got to work together.

Commissioner GARRETSON. That is all.

Chairman WALSH. That is all, thank you.

Miss TARBELL. There is one thing. This paper was handed to me by a gentleman—

Chairman WALSH. One minute. If there is any statement you would like to make, voluntarily by way of explanation or amplification or any suggestion you desire to make that has not been brought out by the questions, we would be pleased to have you do so.

Miss TARBELL. I do not know. But there is this statement which was handed me by a gentleman in reply to a statement made this morning that there were not a very large percentage of manufacturers in this country or in the country where the workmen were interested in the improvements, that there were not any great numbers where these new orders were at work, and that the workmen themselves were taking—here is the statement that was handed me with regard to the workmen's compensation law. I have not read this over. It says:

"For the purpose of bettering industrial conditions an analytical rating board was organized, consisting of representatives from mutual liability companies, stock insurance companies, and the State insurance boards fund."

Now, this statement claims that inspections have been made in 15,000 manufacturing plants in the State of New York; 15,000 have been inspected. And in this inspection the workmen have all been interested. It has been what we might call joint work.

Chairman WALSH. That is all; thank you. You may be excused.

Mr. Basil M. Manly.

#### TESTIMONY OF MR. BASIL M. MANLY.

Chairman WALSH. I believe you stated you desired to analyze a statement as to the number of employees in the United States Steel Corporation that were working 12 hours per day in 1910, down to the present time.

Mr. MANLY. Yes; I would like to make that situation clear. The discrepancy is due to the fact that the statement which was last read, that approximately 25 per cent of the employees of the Steel Corporation are working only 12 hours a day is due to the fact that that includes all employees, men in the iron mines, in the wire mills, and men in the coal mines, and all other outlying properties, of which the Steel Corporation has a tremendous number. The statement that 50 per cent of the employers were actually in the steel-producing department of the corporation, which work 12 hours a day, is the result of very careful analysis that was made in the Bureau of Labor in 1910. That statement I know is correct.

Commissioner WEINSTOCK. What percentage, Mr. Manly, approximately?

Mr. MANLY. Fifty per cent, approximately.

Commissioner WEINSTOCK. Approximately 50 per cent?

Mr. MANLY. Approximately 50 per cent in the blast furnaces, the steel works, the men working in the open hearth and Bessemer steel plants, and the rolling mills. That is where the steel is actually produced. The rest of the plants operate works where the steel is fabricated. The wire works and the different works. In other words, that is simply factory operation. But in the actual steel-producing plant, where steel is produced in working the raw material, 50 per cent of the employees work 12 hours a day—worked 12 hours a day in 1910. I have not gone over the figures for the Steel Corporation since that time.

Commissioner O'CONNELL. How many days a week do they work, Mr. Manly?

Mr. MANLY. In the Steel Corporation practically every employee in the Steel Corporation now is limited to six days per week under shifts of employees. That was true in 1912. I presume it is still true. I have not examined it since. Now the figures are not considerably changed. I wish to quote from the annual report of the Steel Corporation for 1912, December 31, as follows (p. 28):

"So far, however, as it has been possible to reduce the so-called 12-hour term it has been done, although no considerable reduction has been made in the number of employees working 12 hours a day."

In other words, no change has been made up to December 31, 1912.

At the annual meeting of the stockholders, held April 20, 1914, Judge Gary, speaking for the corporation, said:

"In considering the questions relating to the 12 hours per day we have reduced the number of hours so far as practicable."

This is in April, 1914, and does not seem to constitute any expression beyond the previous statement in which it had been said that they had been reduced as far as possible in 1912, and he simply says in 1914 they had been reduced as far as practicable, which is a much weaker statement and does not imply any existed.

Commissioner O'CONNELL. In that 6-hour day you say—I mean 6 days a week—is the work continuously 7 days?

Mr. MANLY. The work in the places authorized is continuous 7 days a week for practically the entire plant.

Commissioner O'CONNELL. And that gives them work 7 days a week?

Mr. MANLY. No; the individual man does not work 7 days a week. The individual man works 6 days a week. The seventh day is taken care of by what is known as a number of relief men. In other words, I get Monday off this week. My place is taken by a man who works Mondays and gets a day off some other time during the week. They shift the men around. Next week I will get Tuesday off and my place will be taken by an entirely different man. In other words, they have one-seventh more employees than they actually need on any given day, and those men are shifted around to take the places of the men who are absent.

Commissioner GARRETSON. Broken shifts instead of regular shifts?

Mr. MANLY. Yes, sir. That is, no man gets Sunday off all the time. That is, in the case of any seven men, one man will take the place of another man on a given day, and he will take the place of the next man the next day in the week, and so on around. It is virtually all unskilled labor around a blast furnace and very quickly learned, and that arrangement is therefore entirely feasible.

Commissioner O'CONNELL. Did your investigation lead you to learn the wages earned by these employees?

Mr. MANLY. Yes.

Commissioner O'CONNELL. What did you learn as to that?

Mr. MANLY. I can give it to you, but it would take some time.

Chairman WALSH. That is all at this time, Mr. Manly. We will take the other matters up later.

Please take the stand, Mr. Lewis.

#### TESTIMONY OF HON. DAVID J. LEWIS.

Chairman WALSH. Your name, please.

Congressman LEWIS. David J. Lewis.

Chairman WALSH. You are at the present time a Member of the House of Representatives?

Congressman LEWIS. Yes, sir; from Maryland.

Chairman WALSH. And you are chairman of the House Committee on Labor, I believe?

Congressman LEWIS. Yes, sir.

Chairman WALSH. How long have you been a member of the Congress of the United States?

Congressman LEWIS. I am just elected to my third term.

Chairman WALSH. Prior to that time what had been your business?

Congressman LEWIS. Well, I had practiced law about 20 years and worked in the coal mines about 14 years.

Chairman WALSH. Whereabouts in mining?

Congressman LEWIS. In Pennsylvania and Maryland, in the anthracite and bituminous fields of Pennsylvania and Maryland, and also somewhat in clay mining in Maryland.

Chairman WALSH. Have you made a particular study of the telephone and telegraph industries in the United States with reference generally to the application of labor problems to it, etc.?

Congressman LEWIS. I have made a general study of the telephone and telegraph functions in this country in all its relations, more especially with reference to the rate and the effect of postalizing the instrumentalities.

Chairman WALSH. I wish, Mr. Lewis, that if you are prepared to do so you would give us the result of your study on that subject.

Congressman LEWIS. Yes, sir. Mr. Chairman, before entering into a discussion of the telephone subject, I have thought that perhaps it was a duty to give the commission some conclusions I have reached with regard to the coal mining sociology, if I may take a few minutes for that purpose.

Chairman WALSH. I will be very glad to have you do so.

Congressman LEWIS. I will do so.

Chairman WALSH. I had intended, Mr. Lewis, to also ask you some questions after you get through with the topic of telephones on the general industrial subject, but take it up in your own way now.

Congressman LEWIS. I have come rather reluctantly to the conclusion that the whole theory of private property as applied to coal mining under certain conditions in the United States has broken down. I mean by that the theory as it is applied, say, to a man's garden and to his home. He has a fee simple title to those, and if he falls out with the most respected member of the community he can lock the gate and lock the door and exclude him from the premises, and all the harm that is done is the loss of the pleasure of the companionship that comes to both. But when you come to apply the same idea of absolute ownership to coal-mining properties the consequences of the disturbances of relations are very different indeed without respect to who may be blamable for the disturbance.

A friend of mine discovered that out in West Virginia in the woods are 10,000 acres of coal. It is our opportunity to serve society and serve ourselves to exploit that coal land. In order to do so we have got to have miners and take them out, but we can not take their homes with them, and so we have to build them homes. We first sustain the relation of employer and employee toward them, a very potent and important relation, as both parties know. But when we have to build their houses we also sustain the relation of landlord and tenant to them. In the meanwhile, of course, it is a new venture in a new community, and they can not carry their own commissary with them, so the employer starts a commissary or a company store. There is the third relation of great importance to the parties, especially the employees, the commissary relations. The relations have frequently become even more numerous, extending to the doctor, and I believe in some recent instances to the saloon facilities.

Now, we are living in the United States. The members of that community are citizens of the United States. They sustain a relation to it different from that of 50 or 100 years ago, or from that of other countries. When the employee in that instance has trouble with the employer, whether it be the employer's mistake or his own mistake, or whether it arises from that fruitful field, a failure to understand one another and ignorance of governing facts, the result to the employee is drastic indeed, because all his relations to life, except perhaps his wife and children and the duty of their support, are broken down. He loses his employment, that relation is broken; he loses his landlord, that relation is broken; he loses his commissary supply at the store, and the relation of the commissary is broken; and it is inevitable as long as human beings preserve the instinct of the animal for self-preservation that when the employer under those circumstances, whether rightfully or wrongfully, proceeds to push the workman off of the raft, there is going to be violence and there is going to be struggle. Meanwhile, the employer is not wholly to blame. Society has said to him that this coal mine is his property in the same sense his cottage and his garden are his property. His whole view of the complex situation when trouble arises is placed in that psychology that he thinks it is his. The other party owns nothing there and of course under the present State of the law has not even a right to his job.

Now, that situation is an impossible one in our country, it makes a feudalism greater than any English history has ever shown. If the whole country were in that plight—if all our industries presented the same conditions we should either cease to own private property in a short time or the Republic itself would perish. So much for the analysis. That the employer in those instances is sincere, is honest frequently, is illustrated by an incident that took place in the investigation of the Colorado operators recently in Congress.

It was suggested that the difficulties be arbitrated, and a very bright and doubtless very competent manager of that industry took his purse out of

his pocket in this fashion [indicating] and said, "That is mine, there is nothing there to arbitrate."

And so society is face to face with two conflicting theories of right. The undeniable social right of the employee under certain circumstances to employment and just relations in that employment, and the equally undeniable right of the proprietor under present legal conditions to do what he pleases with his own property. The result to which it all comes, in my judgment, is twofold. We may either modify the theory of private property applied to that relation or we may socialize the property itself. I take it that the Nation would not be ready for the latter course, but in a purely suggestive way, with a view of relieving the conditions that may prove serious for the peace of the Republic itself, I want to say that it seems to me that it might be worth the time of this commission to inquire whether the public utility in the ways you know, might not be called in some preventive fashion, when these industrial strifes threaten, to determine the facts—to determine the merits of the controversy so that the views of society could speak, and speak with the efficacy it usually does, that is, with the influence of determining the controversy itself.

That is all I wish to say on that subject. Do you wish me to proceed along the other line?

Chairman WALSH. Yes, sir; you may proceed.

Congressman LEWIS. With regard to the telephone communication, I may say that I have given it some two years of study, under the limitations of the layman, however, and not with the advantages of the skilled telephone engineer. It will be natural for the commission to ask for some principle upon which the action is proposed. In short, is there anything about the telephone instrumentality, as well as the telegraphic, that distinguishes it from the ordinary postal communication, or does it more properly fall within the line and under the rules applicable to private industry?

I wish to say to the commission that in taking a position on this subject one needs not necessarily to characterize himself as a socialist or as an individualist. Indeed, after much thought and experience, I have come to the conclusion that glibly as we may assign ourselves to one or the other principles of thought, very, very few of us really are socialists or individualists or communists, but that, on the other hand, we are all three; that there is hardly a man to be found that does not believe that the present method—at least legal proprietorships as a method of conducting the farm is the most efficacious, that communism as applied to the public roads and public schools is a principle sound in itself, and that socialism, as we see it in the post office most markedly, has been sustained by the experience of mankind. The truth of the matter is that no nation up to date has been so narrow as to make itself a one-fingered institution. It has used all those principles and has found them necessary for the proper action of society and development of the public welfare.

Now, when we come to the field of communication, I wish to call the attention of the commission to what may prove only a too elaborate statement of the characterizing facts.

First, it is to be noted that our country stands alone among the great nations in allowing the electrical communication to be handed over to the private financier. Is there any reason in the United States calling for that distinct kind of departure? None that I can find or that has been pointed out so far. The truth of the matter is that the telephone and telegraph present the same economic and the same social characteristics in the United States that they present elsewhere, and that we have a right to proceed upon the assumption that reasoning applied elsewhere is fairly applicable here. I ought to ask the commission what the limitation of time will be, because there are a great many facts to present.

Chairman WALSH. There are no other witnesses here this afternoon, Mr. Lewis.

Congressman LEWIS. First, I wish to say that the telephone and telegraph functions are inherently monopolistic in their nature. No one should wish to have two telephone agencies in the same office. Nobody can really gain advantage by having two telegraph offices, as we have in the National Capitol, each at the side of the other. Competition in the telephone field is ineffective to cure this well-known effect of human instinct where it has the power to fix the price without the veto power upon the part of the consumer, and that has proven equally true in the telegraphic field. Society, therefore, because it is a postal function, and again because it is a monopolistic function, ought to

consider the propriety of taking over those two functions. But there is another reason, a qualifying reason, and one which I urge as of very great importance. There is throughout every community a well-settled conviction that somehow or other men will not work for the Government with the same earnestness that they work when supervised by the self-interest of a private employer.

Mr. Chairman, I concede that that statement contains a very large element of truth, but there are exceptions to it. Now, those exceptions consist of the cases where the work can be precisely assigned out in advance, its quantity measured, and the task of each man fixed and the conditions of his service determined at the time of his employment. The city letter carrier is an illustration of that. His work each day, his route, is fixed, and his failure to perform his services, his delinquency, will almost automatically check itself. The rural route in a less perfect way is another illustration. And so it may be said of the telephone communication and of the telegraph, where the flow of traffic in any particular office has been ascertained, the amount of work which the employees should do, the number of hours the employees should work, can all be safely and thoroughly determined in advance, and their failure to make good as employees adequately checked. Therefore, without going into other fields of thought, we have the conditions which justify social interference in the field of electrical communication. It is an inherent monopoly. The work can be adequately done, and society will be free from "soldiering" upon the part of its employees.

Now, Mr. Chairman, I want to call the attention of the commission to the particular facts of an economic and social character which, independent of general reasoning, call upon us in the United States to postulate those institutions here as elsewhere. First, let me say that when you have a monopoly of a character where the law of increasing returns may be said to apply, in such an instance society, acting for itself, can produce much higher economic and social results or products than the private financier, for the following reasons, which I shall read because of the precision of their statement. They are taken from the work of Prof. Henry C. Adams, a very just celebrity, on "The State and its Relation to Industrial Action."

"A monopoly has the following advantages if it is conducted under the public-service motive:

- "(a) Unity and exclusiveness of organization.
- "(b) Details of management well worked out.
- "(c) Facility for extension by mere duplication of existing structure.
- "(d) A social demand for the service which is widespread and constant.
- "(e) Adequate ability in authority.
- "We may expect the following results:
- "(f) Service at less cost than if broken into groups.
- "(g) Assured demands for service admits of closest calculations.
- "(h) Extent of demands admits of most minute division of labor.
- "(i) Absence of rivalry reduces to a minimum the amount of capital and other expenditures necessary for the performance of the service.
- "(j) Speculative management is eliminated.
- "(k) And thus with a public-service motive—
- "(l) The maximum of cheapness and efficiency is rendered possible."

Now, a word or two as to the possible service motive. It must be recognized that the rules of private financing and the rules of public financing are inherently different in their objects, and that is said without any purpose to depreciate one or to glorify the other. The private financier is the private investor. His motive for making the investment is the fact that determines whether he will make the investment or not. Naturally the rate of return to be expected is what he is looking to as a fact, and if you say to him the return is to be too low or the return is to be absolutely uncertain, he makes no investment at all.

Now, it so happens that as a general rule, especially with monopolies, the higher the price fixed by the financier the greater will be the profit, with certain qualifications against insane excessiveness in price. It also happens, under those circumstances, where the private financier is in control and you have a monopoly subject to the law of increasing returns, that the higher the price fixed the lower will be the utilization of the plant in his control. But without going further with academic statements, I wish to give a concrete illustration.

There was running from Chicago to Milwaukee for many years a little telegraph line known as the Chicago & Milwaukee Telegraph Co. For many years it conducted a service of 10 cents per telegram, the telegrams being mostly de-



livered by phone to stock exchanges. After a time the Western Union, not liking that any too well, for obvious reasons, entered into competition with it, and they had a 5-cent rate between the two cities during the time of the competitive struggle. That competitive struggle ended as they usually do. They agreed and a 15-cent rate was established between the towns. Under the 15-cent rate the Chicago & Milwaukee Telegraph Co., in 1909, did a business of 103,000 telegrams; but a year later a subsidiary of the Bell telephone system acquired this little telegraph plant, and the rate was immediately raised to 25 cents per telegram. The next year the telegraph business fell to 57,000 telegrams. In short, an increase of 60 per cent in the rate had worked a decrease of nearly 50 per cent in the product in the social service rendered by the institution to the people of Milwaukee and Chicago. This is said without censure of any of the parties concerned. The old concern at 15 cents was making, I think, about 3 per cent dividends. That return was not adequate to private capital. The new concern, by cutting the business down one-half through raising the rate about 60 per cent, was able to discharge two telegraph operators and two messengers, and I think they come out about 5 per cent in the way of a return after they reformed this plant according to the laws of the private financier.

Now, in contrast with that, let us present the public-service motive as apposite to this field of action. When the parcel-post law passed Congress—of which I may explain I had the honor to prepare the House version—it was reformed in the Senate until the rates were made so high that only the express rates exceeded them in scandal; but happily a provision was inserted in the law giving the Postmaster General the same power over the postal rates in that respect as a railroad president has to conduct the service on his road. It was my pleasure to go to the Postmaster General a few weeks after his appointment and suggest that the rates on the shorter zone, say, the 150-mile zone, be cut down from 4 cents per pound to 1 and on the 50-mile zone from 3 cents to 1 and other changes that have since taken place. Now, how did the Postmaster General reason on that subject? He reasoned according to the instincts of the public financier. He said, "If I am assured that these rates will pay the cost of the service"—and he was so assured—"but even if some uncertainty exists, I am justified in making the reductions in the rates proposed, because the post office and the people being identical terms, if I should lose 1 per cent in one pocket I gain 100 per cent in the other pocket in the form of social service rendered."

Let it be said for his ability to reason and to act that the profits under a traffic that actually trebled under the influence of these normal rates—these rational postal rates—the profits are quite as great as they would have been under the old restricted rates. In short, the Postmaster General proceeds, as the illustration suggests, upon wholly different rules of financing from those he would apply himself in the State of Texas if he were conducting a hotel of his own or a street-car line, or, indeed, was sinking an oil well and selling the products. The laws of private financiering are as distinct from those of public financiering as the night is from the day.

Now, let us see what the effect of that private financiering has been in the United States on the subject of our telegraph and telephone rates. I have all the supportive data and statistics before me, but will give only conclusions, because it would take hours to supply all the data in detail.

We will take first our telegraphic rate and we will compare it with New Zealand's. I take New Zealand for comparison because New Zealand compares with the United States in wage levels, in social habits, in education, and in tradition, in the purchasing power of the people as expressed in dollars and cents, and as one State in the United States compares with another. Now, in New Zealand the rate is 12 cents for 12 words, good all over the island, comparable, let us say, to the State of New York. And what is the effect of that rate? In 1912 the telegraph business of New Zealand amounted to 9 telegrams per person. In the United States the rate is just twice that in New Zealand, with higher rate for longer distances. The number of telegrams in the United States in 1912 was 1.15—about 1.1 telegrams per person against 9 in the little State of New Zealand.

Now, of course, the suggestion comes at once that perhaps in this country, because of its character, state of development, the interurban telephone has taken the place of the telegraph. That is true, to a certain extent, but it does not answer the difficulty of low social utilization in the United States, for we rank only ninth among the nations with respect to the use of the telegraph, and

when you combine the number of long distance and interurban telephone conversations with the number of telegrams you find that instead of ranking first we rank thirteenth among the peoples of the world. In short, the same phenomenon of prohibitive rates is found in the telephonic field as is found in the telegraphic field, both fields being combined under the rule of the private financier who makes rates on the principle that the higher the rate the greater the profits—who makes his rate as the hotel people in the city of New York make their rates, and for the same reason.

Now, we come to the local telephone rate, and it is hard to be in New York City and not make a concrete illustration of these rates. First, let me say with respect to the local rates, we have the lowest postage rates the world over except with a single instance, which I will mention. The postage rates of the United States are the lowest in the world with the single exception of Japan, where the letter rate is a cent and a half per letter. Even our parcel-post rates, for the shorter distances, in the very infancy of the development of that institution, are only half as high as they are in Great Britain, are as low as they are in Germany, and are only excelled by those of Switzerland and one or two other little countries, in the matter of shipment. But when we come to the matter of telephonic rates locally here, we find, speaking for the Bell system which represents about two-thirds of the field in this country, our local call costs on the average twice what it does for the rest of the world. The independent telephone companies of the United States get 86 cents per 100 calls; the Bell system gets \$1.86 per 100 calls; and that figure represents all their plants, the little town plant with the flat rate and the unlimited service, all the way up to the New York City plant with rates which are actually the highest in the world. It happens to be a fact that the rate for a business telephone in New York to-day is as great as the unlimited business telephone rate of London, Berlin, Paris, and Stockholm combined. In other countries, with a postal motive active in the making of the rates the local call tends to cost about half as much as the postage rate—a little less than a cent; but in the United States, especially in the larger cities, the local call rate tends to run with the street-car fare, is sometimes twice a street-car fare, and I believe up to within a limit of six or eight hundred calls in this city to-day it represents about 8 cents per local call, a price for which the post office will carry a parcel from New York to Baltimore—a 4-pound parcel for 8 cents and make a fraction of a cent profit in the bargain, and that after paying the railroads adequately, too, for their services.

Now, Mr. Chairman, I come to the subject of the long-distance rate. The long-distance telephone rate of the Bell system in the United States—I speak of it, of course, not in any indicting fashion, but because it is representative of our telephone condition in a national sense more than any other—the Bell long-distance telephone rate is based on the scale of 6 mills a mile for a conversation of three minutes. Six mills a mile—what does that represent? Well, the railroads only get 7 mills a mile and a fraction for carrying a ton of freight a mile. It costs as much practically to send a long-distance telephone message over the wires as it does a ton of freight, and you, gentlemen, can realize how very weighty these conversations sometimes are over these telephones.

In the other countries in the world—and I must ask permission of the commission to read some figures—these long-distance telephone rates run from one-fourth to one-eighth of the rates required here. I will read quickly now a comparison of continental long-distance telephone rates with those of the Bell system, made on the scale of 6 mills a mile.

The average continental rate per hundred miles is 20 cents; Bell rates 60 cents.

Three hundred miles the continental rate is 37 cents; the Bell rate \$1.80.

Four hundred miles the average continental rate is 39 cents; the Bell rate is \$2.40.

For 500 miles the average continental rate is 46 cents; the Bell rate is \$3.

Now, it must be said, to be just in this statement in regard to the rates, that they do represent some different rate conditions. The Bell people, in answer to this suggestion, say that their service represents an immediate service—not a take-your-turn service, and wait until other parties have been gratified. I shall assume that their statement on that subject is correct, because they ought to know, and it must be said, in candor, that I have not found them misrepresenting the facts in this controversy. But they give only one rate, and that is this high-priced rate for the immediate service. Postal systems are anxious

to come within the reach of all kinds of patrons with all kinds of business, and make two kinds of rates. They first make the take-your-turn rate, and that is the rate I have read. You might have to wait half an hour or an hour to get your turn under those circumstances; but they also make a rate that corresponds in function with the Bell rate, an immediate-service rate, and in most of those countries that rate amounts to twice the ordinary rate. In Belgium I think it amounts to three times the ordinary rate, but even making the comparison on that basis, the long-distance telephone rates of the United States still remain the scandal of public-service rates the world over.

The Bell system itself has practically made a confession of the justice of the complaint made with regard to these rates. It is said that they could give an ordinary take-your-turn-strap-hanger service, I think they call it, at rates more or less equal to those granted in other countries; and you ask why they do not do it. Their answer is, "The public does not want such rates. They only want this high-priced service, this immediate service," which they say they give. Well, now, they are not speaking at least for one part of the public, if I may introduce my own personality. The Capitol at Washington is about 150 miles from my home. When Mrs. Lewis was not with me, it meant a letter every evening or so. I could have sat in my office or in my room and waited until they could have given me a service at 15 or 20 cents and talked to her over the phone, instead of resorting to the letter-writing art. I do know, as a man of experience, that an immense proportion of our business, an immense percentage of our affairs, are such as could wait for an hour or two or three or four hours, if a consideration like 50 per cent or 75 per cent reduction in the rate were offered as an inducement.

Now, the very natural result of this extraordinary rate is to deny society the full utilization of the telephone machine. Comparison shows that while the interurban long-distance lines of this country are utilized to the extent of only 4 per cent of their potential time—the potential being treated as every minute in the year—the German interurban lines are utilized under these very low, popular rates to the extent of 19 per cent. In short, the utilization of nearly 500 per cent is obtained on German lines as against 100 per cent here—the pure necessary and proper result of rates made by the private financier.

This may be the proper place to call attention to some recent postal history. In 1909 we have statistics showing the number of parcels carried by the express companies of this country. They numbered a little less than 300,000,000—about 3 per capita. In 1912, 1913, and 1914, an account has been taken of the number of parcels moving in the post office. We find we are moving now at the rate of 300,000,000 parcels a year by post. Not more than 50,000,000 of those parcels formerly moved by express. In other words, we have taken about 50,000,000 parcels away from them. All of which shows that 250,000,000 parcels are moving now under postal rates that never moved before in this country; that a flow of 250,000,000 parcels, or at least 2½ per capita, has been potential in this country ever since the days of Lincoln, and that that potential traffic has been absolutely murdered by the prohibitive rates of the express companies of this country and the rules that the private financiers find necessary to apply to the express business as a squatter on the postal function.

Now, I make no doubt, sir, that the telegraphic and telephonic systems of the United States are suffering in even greater proportion as the result of these double rates. I haven't any question, sir, that the introduction of normal postal rates into the local telephone and into the long-distance telephone field would increase the utilization of those agencies of communication in a few years by many hundredfold. I know it is the habit to think very ill of the express companies, and after what I have said it is my duty to give a few facts in justification of their course. When we read about their cutting melons of 100 per cent and paying dividends in former years that were actually 100 per cent of the capital invested in the business, the inference is at once natural that they were behaving rather beyond the permissible extremes for private financiers. In short, that they were hogs. But that was not true by any means. At no time had the express company made more than 3 or 4 cents out of the average parcel carried; while its dividends on the amount invested, which was insignificant, were naturally very great, the margin of their business applicable to dividends, I think, never rose above 8 per cent. In other words, only about 8 per cent of the rate—8 per cent of the dollar that they took in—was applicable to profits; and when the rate maker comes or the financier comes to making rates that involve a margin smaller than that he is

trenching upon dangerous grounds for his own investors. The express companies have that excuse for the rates of the past which have destroyed so much traffic in that field.

Now, Mr. Chairman, when you come to the objects of postalizing these functions, what are they? The functions—what are they?

The only objects that are obvious are first, to give the people of this country—in the postal field with respect to communication—a normal rate, a righteous rate. There are two other objects into which I shall briefly enter. What should be the ideal of the postal establishment in the telephone field? I am sure I should hesitate in expressing this ideal if I had formed it myself, and it is only because of the authority which I am able to quote for it that I have the courage to mention it to this commission. This authority has said there is a road to every man's house and there ought to be a telephone on the inside. That authority was Theodore N. Vail, president of the Bell telephone system. It is true the ideal was used in a well-paid magazine advertisement, and not in one of his reports to his stockholders. But the president of the Bell system, in making that very splendid expression, overlooked the facts. There is a road to every man's house; that is one fact. But that road was not built under the rules of private finance. That road was not built by private monopolists, but it was built under the influence of the social ideal, and with the financial power of that society alone. That is one idea. But what would its value be?

I come now to a subject that may seem at first somewhat foreign to the inquiry in which we are engaged, but which I think is germane, and which I trust will interest this commission. In making a study of the parcel post and express subjects I made what was to me a discovery. I found that we had plenty of wholesale transportation in the United States, but practically speaking no retail transportation except what the express companies gave under their prohibitive rates—relatively prohibitive rates—and under a service which failed again to reach the farm. I found another fact—nearly everything we eat on our table is produced originally on the farm in the retail form. I mean by that that the butter is produced roll by roll. The chickens are killed and dressed one by one. The eggs are marketed dozen by dozen. In short, farm table products begin in retail forms to suit the requirements of the ultimate consumer. But lacking retail transportation as one reason—another reason I shall reach later—instead of those retail forms going to the consumer at once, for want of a conduit, they had to pass through several expensive commercial operations. First, the buying collector went out on the farm and bought these farm supplies up, converting them from retail into wholesale quantities; that is one commercial transaction with its attendant charge for profit, insurance, waste, and the other elements involved. Then he turned them over to the wholesaler, a second commercial transaction with all its attendant charges. Then the wholesaler turned them over to the retailer, a third commercial transaction with its attendant expenses. And finally the retailer converted them into their original retail forms and letting the consumer have them at a price that doubles and at a smell that had not improved any during its intercourse with commercial transactions. In short, the consumer was the third or fourth purchaser even of these standardized retail forms instead of the first, and secured them in depreciated quantity as well as doubled price.

Now, we have applied to the postal establishment the transportation conduit for the movement of these retail forms from farm to kitchen. It was thought at the time, and I confess I had the hope, that a letter—the written communication—would prove sufficient to bring the farmer and the consumer together. It has in a small degree and there is a little of that traffic oozing through between farm and kitchen; but what I wish now to suggest as an objective of this legislation is this, that with telephonic communication possible between the consumer of the city and the farmer in his environments it is probable that the housewife will be able to communicate directly with the farm, as she now does with the grocer over the phone in many instances and that thus this direct transit of the retail article to the kitchen will be secured.

At present, however, under the influence of the rates we have been discussing, a very cursory and quite inadequate investigation of rates around Washington disclosed this fact, that although Washington City is completely environed by farms within 3 or 4 miles of the city limits, you would not be able to communicate from the city to a single farmer that I could find at a cost of less than 15 to 20 cents. Of course those rates were not made with a view to direct talk between the city purchaser of farm products and the farmer and are very

different from the freight rates of our country that have been made, sir, with a view to moving the potential traffic.

Whatever may be said of our railroads, of their sins and delinquencies in the past, it must be said of their rate makers that they have made rates that moved the American traffic from the point of natural production to the point of natural demand. The telegraph monopoly and the telephone monopoly of the United States have utterly failed to discharge that function.

Now, sir, I come to another feature of the subject which, for conservative men, may possess a greater interest than any I have discussed; and that is the question of the relative efficiency of the postal management, of these agencies, as compared with private managements.

We hear on all sides the suggestion that no man will work for the Government, that they are loafers, and that all Government service in a sense of economy is grossly inefficient. However true that statement may be with regard to some employment by cities and States, it is not true with regard to the postal establishment. What is it that our postal establishment does? Manifestly up to date its work has been that of handling the mail. When you compare its work in that respect with the other postal establishments of the world, like Germany, France, England, and the rest, conceded to be of the best efficiency, because in the case of Germany, I believe, it is suggested that classes obtain there and that somehow or other under the class system of the Government men may be made to work where under a democracy they may not.

We find that under the American postal system in 1912 there were handled 60,000 mail pieces per employee; that was his product in work done, as against less than 40,000 for Germany and less than 40,000 for France and England; that only Belgium excelled this, with a product of 85,000 postal mailing pieces per employee. And if it is called to mind that Belgium represents a congested population, about like the State of New York in population, and even less in area, with no great rural delivery service, it will be readily seen that the American postal system ranks at the very head of all postal establishments in the efficiency of its employees; that is, in the amount of work gotten out of them as employees of the Government.

Now, how does the case stand with regard to telegraph employment? Well, in New Zealand the facts show that the average telegraph employee in the year 1912 got out a product of 4,000 telegrams and that only amounted to about 11 telegrams per man per day, but in the United States the private telegraph companies got out a product of only 2,900 telegrams per year with a daily product of 8 telegrams per employee. The comparison, however, is still unfair to New Zealand, because in New Zealand the average telegraph office had a supply of less than 13 telegrams per office per day, while the average telegraph office of the United States had a supply of 41 telegrams per office per day. In short, the telegraph employee here had four times the opportunity to work—three times the opportunity to work that the employee had in New Zealand and that circumstance again, instead of suggesting that the employee of the telegraph office here is a loafer, or soldier, brings only to mind the old principle that their rates are so high that they affect the utilization of the machine. But that does not wholly account for it. The American post office like most of its brothers, has a genius for doing small things cheaply and well. The genius springs from the fact that it possesses the power of simplicity, by which I mean to say its details are well worked out, and it has the postage stamp, which is the most wonderful accountant in the world in accuracy and economy of operation.

I have before me a computation made by an experienced telegraph man of the number of operations through which a telegram goes in the United States. There are some 24 concerned with its physical handling. Altogether there are 74 processes through which it goes. All of these processes but 24—probably all but 25—would be eliminated by the postage stamp under the postal system. Instead of possessing that institutional efficiency, in which the private financier points with such habitual pride, if the telegraph companies of this country may be taken as examples, they represent the lowest productive efficiency in the world to-day. We may safely, therefore, proceed on the theory that if our postal establishment ranks first in the work it is doing, and our telegraph companies rank lowest in efficiency in the work they are doing, I mean the product per employee paid, that the like results will attend the postal establishment when it attends to the telegraph.

And now we come to the telephone communications. It should have been urged again that the Postmaster General would not be able to make the tele-

phone employees do their work. Let us see about that. What is it that the telephone plant does? It handles calls. When you divide the number of calls in the United States as represented by the Bell system, by the number of employees, you find that their work per year represents some 64,000 calls. Now, the little country of Norway under postal management has employment that represents 118,000 calls. In short the Bell system, instead of ranking first in private aspects, ranks ninth, among the telephone institutions of the world. Nor yet, sir, is this any reflection upon its personnel. The fact is that it comes back to their rates, as the utilization of the plant is restricted to such a degree that the employee does not have the opportunity to put out the product. Remember that about one-half of the employees are not engaged in the direct work of the exchange operator.

We have found now that while postal rates in this country are as low as any other countries, telegraph rates run twice as high and local telephone rates about twice as high, and long-distance telephone rates to the ordinary user run from four to eight times what they do elsewhere.

But, says the conservative man, and I confess the conservative man is the man whose judgment we seek in this matter, conceding all you say with regard to these rates, rather than take recourse to the purchase of a billion dollars' worth of property, and its postalization, had we not better rely on regulation to secure the rates desired? The answer to that is, that regulation can not be made to give us postal rates. Regulation was tried on the express companies and it must be conceded that it was sufficiently drastic. The most we could do with that 25 cent minimum rate, we actually murdered 250,000,000 shipments in this country, and the result of its passage was to reduce it from one quarter to 21 cents, and it is a matter of admission of students of express transportation that the express companies are actually losing money to-day on their 21-cent shipments, while it is true that the postal establishment is making money on its 5-cent rate, because it has got a great agency already spread over the country that reaches the farmer. It has its details well worked out, and this power of simplicity, and is able to eliminate from its operations some 40 per cent of the incidents that attend the movements of packages in express transportation.

But coming back to regulation with regard to the telegraph rate and with regard more especially to the telephone rates, I wish to give a concrete illustration of the inapplicability of regulation to procure the results. Of course, regulation implies, to begin with, proper respect for the laws of property, not merely the statutes of property, but those laws of property written in the human heart, those laws which if not respected stop private investments and completely defeat the function of private operation. As a concrete illustration of the regulatory theory, I shall quote you facts applicable to the year 1910 for a city of 600,000 people in this country, the name of which I shall not give, because its rates are now in private litigation and I have no wish to embarrass either of the parties in that controversy by anything I may say. That city, as I say, represents 600,000 people, and therefore presents metropolitan conditions. Its rates, briefly stated, are as high, with some slight exceptions, as the rates in New York City. It had 43,000 telephones. The telephones had an average call service of 993 calls per year. The average number of calls on all telephones in this country is 2,023 per year. Thus it is seen that in that city the telephone was performing only one-half its customary function and was doing less than 1,000 calls a year when the average telephone under the same commercial and social circumstances was doing a business of 2,000 calls. That average of telephone calls represented a cost to the consumer of about one and one quarter cents per call. In this city of which I speak the average cost to the consumer was three and a half cents per call on the measured-service basis. It is obvious in that case that the degree of the charge under measured service had cut down the function of the telephone about one-half. Very well. Now, then, the private regulator is called in and what does he find? He finds about \$5,000,000 invested in the telephone in that city; that its net earnings for the year were about \$1,200,000, which would be about 7½ per cent. Parenthetically, let me say that about 7½ per cent is about as low a rate as you can concede private capital in the telephone field, and be sure that it will undertake those new enterprises essential to the proper development of the telephone institutions. But the commission is faced with that fact at once. However, the proponents of the people say this telephone is only rendering half service at an expense of \$200,000 more per year. That, with additional switchboards and with additional exchange operators, these rates can be cut in half, and we are assured

by the average service performed throughout the country that the service will double and the returns to the company in gross be what they were before. Conceding all that to be possibly true, the net returns to the company in that case would be cut down \$200,000, from  $7\frac{1}{2}$  to about  $3\frac{1}{2}$  per cent. And no regulative tribunal could ask private investors, however desirable the social results, to have the telephone charges in that city reduced, that their return on their capital should be cut in half, from  $7\frac{1}{2}$  down to  $2\frac{1}{2}$  per cent, the point at which private capital would say to the regulator, "You must go and get your capital where you get your regulation, from the city; I will have none of it."

But the Postmaster General walks in on a situation like that and finds that the telephone is performing only one-half of its functions and he is dissatisfied with that as compared with the postal service. He knows that if he will cut his rate the gross receipts will be the same, but that his earnings would be cut down to about  $3\frac{1}{2}$  per cent, or possibly even a little lower, and what is his reply? Acting on the rules of public finance, again he says, "Cut the charge in two, I think the service will double and my gross receipts remain unchanged; even if the profits are as low as 3 per cent, I can purchase capital at that cost." And so the service goes on. It is one thing to say that regulation affords some defense of production to the citizen against discriminating rates and charges; it is quite another and fallacious thing to say that regulation can ever be made to produce a service as cheap at 7 per cent return on the capital as postal service with a return of 8 per cent on the capital.

I will dismiss the suggestion of competition as a remedy and go on to briefly touch other objections that are made.

One of the objections urged, and I consider with sincerity, in the report of the Bell system against postalizing the telephone, is a good objection unless it is provisionally incorrect. I believe it is provisionally incorrect. That objection is that the future telephone development of this country requires not only continuity of plan and policy but continuity of technical ability and a personality in control of the situation. It is suggested by the Bell system that that is not attainable by the postal establishment. I respectfully submit to the commission that that objection is not well taken in view of her history. We do have, at least in two departments of the Government, continuity of plan and purpose as well as persistency of personality and expert knowledge. I refer to the navy establishment and to the war establishment where it must be said that the very highest ability is obtained, is kept, and, thank God, has never failed us in our history to meet the requirements of the Republic in its direst times.

Now, in regard to the postal establishment, in that respect the bill, which has been proposed, provides for this very continuity and service and personality, because a board of directors is established into the bill and is continuous in office some 10 years and with qualifications which go to their expertness as electrical telephone engineers, as express experts, and with reference to the other qualifications involved.

The objection is with regard to the personnel. It is suggested that the addition of great numbers of persons to the Government service may so affect the electorate in determining our elections as to lead to undesirable results.

Let me say in regard to that that the number of telephone employees in the United States is about 200,000; that a little more than half of those are women. And let me say besides that in the development of the telephone art the automatic telephone has witnessed the examples of postal establishments in other countries and independent telephone companies in this country, especially the Federal Telephone Co., of Buffalo, which have introduced the automatic system under which the exchange girl is completely eliminated, except in those instances where a toll service is required.

Now, even that circumstance does not present an awkward affair, because it will take time to substitute the automatic for the manual system. And it happens that the girls who work in the telephone exchange last about two and one-half to three years in that capacity, for the average telephone girl marries.

I shall not go into greater details this afternoon with this subject, Mr. Chairman, because, although I am sure you would realize that it has incidents and circumstances which would prolong not only into the night but, perhaps, into to-morrow, as well.

There is another circumstance, however, that ought to be mentioned and ought to be considered, it seems to me, in reaching a conclusion upon this great subject; that is, the social influences active. When the private financier

is turned into this field of postal monopolies, with no purpose to be sensational at all, it is my duty to say to the commission this afternoon that as long as these telephone franchises remain matters for private promotion—remain private in character—securing them will be a circumstance attendant with the hope of very great profit. The promoter, under those circumstances, too often becomes the bribe giver. And we have, I am ashamed to say, in the telephone history of this country cities, as great as San Francisco, disgraced in the most shameful way by its telephone experience in franchise giving.

Just a few years ago the city council of San Francisco, I think, with the exception of one or two men, was bribed by both the contestants for the telephone franchise in that town. They went out of the council meeting with, perhaps, in each of their pockets a bribe from both of the contestants to the controversy. And I ask you to compare that history not alone with the history of London, of Berlin, or of even gay Paris in the matter of telephone order and telephone morality. As against it we have the postal establishment without motive to corruption. We have the postal establishment that stands in ranks primary among all similar institutions in the world. I believe that most men will concede that the subject of slavery and the ensuing Civil War exerted upon the history of this country a disturbing influence which we have not yet half overcome. Instead of the social problem securing our attention here, it did in other countries a generation ago, and the solutions they have secured there—problems arising out of slavery and the Civil War—have engrossed our statesmanship and our people. Meanwhile our country had to build up—200,000 miles of railroad had to be built. The great industrial institutions, of which you know, also had to be erected, and in erecting them great princes of finance were developed—princes of finance whose clamor far excelled and whose power far exceeded the power of the States and the Government whom they have overshadowed for a generation. You went not to the statehouse of your American State to find the active, moving power of society. You went not to the White House, or even to the Capitol, to find the active moving powers of the Nation. But you went to the back offices of the great princes of finance of whom be it said that their clamor exceeded that of the highest officers of the Government. And I challenge the commission, on its recollection at the moment, whether it be not true that they can remember the names of half a dozen great princes of finance of the last generation quicker than they can remember the names of the cotemporary presidents of this Republic?

It was only natural, when the governmental functionary had been so weakened and disturbed by these extraordinary incidents of the war, that these great potentates of private finance should slough upon the Government domain. They did squat on the postal function. The cost of it in the express service we now definitely know. Half of the potential express traffic was killed for 40 years and was prevented from moving. The cost of it in the telephone field we can determine inferentially by the experience of New Zealand and other Empires. The cost of it in the telephone field can be easily surmised when we remember that it cost as much to ship a telephone conversation a mile as it does a ton of freight.

Now, as one more instrumentality of the Federal Government the commission to investigate these subjects I have come to New York City in the humblest way even if with the most positive and confident matter to suggest recommendations on your part with regard to this great subject.

Postal establishment is the greatest agency we know, despite what has been said about it. It is the most economical industrial agency in the world to-day. It represents more income than any railroad system in our country or indeed of any country except the Prussian railway system. And it represents, Mr. Chairman, much more than that. It represents the one industrial, the one commercial agency in the United States that is absolutely on the square with all its citizens; that gives a nondiscriminating service to the poor and to the rich alike; that follows the farmer out into the recesses of the forest and even the pioneer of our country, into the frozen mountains of Alaska itself, to take there perhaps the mother's message to a heroic son and to bring back perhaps the son's new found gold to the succor of an aged parent.

I thank you for your attention. [Applause.]

Chairman WALSH. Ladies and gentlemen, we are required to maintain perfect order. If you are allowed to express your feelings, these meetings would not last a day; if some opinion may be expressed that meets with your approval I am going to ask you all to please help me and not to give expression to your feelings.



Congressman LEWIS. I have a full record of the discussion on this subject and I desire, if I may, to submit it to the commission.

Chairman WALSH. I shall be very glad to have that made a part of the record. When do you go back to Washington—to-night?

Congressman LEWIS. Yes, sir.

Chairman WALSH. There were some general questions that I desire to ask.

Congressman LEWIS. I will be very glad to answer them.

Chairman WALSH. Well, it is our adjournment time now, and perhaps I will submit them to you on the outside, Mr. Lewis, and have them made a part of the record.

Congressman LEWIS. Either way; if you wish, Mr. Walsh, and think it is necessary, I will stay over here.

Chairman WALSH. We will be very glad to finish the record and ask these questions. I will give them to you so that you may be prepared in the morning.

Congressman LEWIS. If the questions are all written, I could reply to them in writing just as well. But there may be others—

Chairman WALSH. There are others that grow out of them. This is a questionnaire written for you.

Congressman LEWIS. Oh, yes.

Chairman WALSH. I will ask you if you have observed the effect of the growth of large corporations and the centralization of their control on the condition of labor in the United States; that is, has it tended to improve the general condition of labor, or otherwise?

Congressman LEWIS. I think there has been an improvement in the condition of labor, but whether enlargement of the corporate unit is the cause I would rather not say at this time.

Chairman WALSH. Have the corporations shortened working hours as rapidly as the development of the industry would warrant?

Congressman LEWIS. I think they have not in the coal-mining industry with which I am most familiar. A very large proportion of it is conducted under an eight-hour system, but a large portion of it remains under the 10-hour system.

Chairman WALSH. Do you know of any cases of corporations that have voluntarily shortened working hours—that is, the large corporations—in what might be called the basic industries?

Congressman LEWIS. No; I do not. But I do not wish to imply that there are not such cases. There may be.

Chairman WALSH. Is the bargaining power of the workmen either as an individual or a group improved by the growth of large corporations?

Congressman LEWIS. I think it is weakened, except as being organized into corresponding organizations.

Chairman WALSH. Has the thought of labor changed in respect to that, the thought changed in respect to that, or has the impression been maintained—it has been stated here upon the witness stand during this hearing that during the period when the large corporations were forming, were concentrating their plants, that the idea among labor generally was pretty strong that it might be a good thing; is that not correct?

Congressman LEWIS. Well, I think it fair to say that as the corporation has grown very much larger its responsibility to the people correspondingly enlarged, broader ideas and broader feelings have been manifested by the managers with respect to the relations to their employees.

Chairman WALSH. Do you think the highly concentrated manufacturing corporations have tended to prevent the growth of trade-unions essentially?

Congressman LEWIS. I would not be a good authority on that subject.

Chairman WALSH. Have you considered, or have your investigations led you to a consideration of the fact as to what extent stockholders and directors of these large corporations are responsible for the labor conditions existing in them?

Congressman LEWIS. Now, I think you put your finger upon a great weakness in the large corporate organization, a weakness that perhaps affects its stockholders even more than employees. I think now that the connection of the stockholder with an immense corporation in many instances is so remote that it practically amounts to no effective relation at all and would not be any greater than the sense of responsibility of the average citizen for what is going on in Washington. I am informed that it happens as a matter of habit that the directors of the great industrial organizations when an election is coming on they will send out their proxies to the stockholders, who are often women

or uninformed men, and that possessing up to that time the confidence of the community they have a form of election only without active discretion obtaining. And I think that there is a very different relation between the stockholders and the directorate of a large railroad or the United States Steel Trust, for example, from that between the stockholders and directors of the little electric railway in my town. That personally carries knowledge and perhaps a sense of responsibility.

Chairman WALSH. Have you observed in your investigation of the telephone industry in the United States the manner in which they deal with their employees so far as organization is concerned? Is there an organized industry or an unorganized industry or what?

Congressman LEWIS. I think the tendency is absence of organization.

Chairman WALSH. Does that run pretty generally through the industry in the United States?

Congressman LEWIS. That is my judgment, although I have not probative data on the subject.

Chairman WALSH. Assuming that this responsibility for conditions exists on the part of directors, how can that responsibility be made effective, if you have studied that subject or would care to give an opinion? Could it be made so by legislation?

Congressman LEWIS. I have given it some thought, Mr. Chairman, and discussed it some with others, but I have not reached a conclusion satisfactory to myself.

Chairman WALSH. If it be true that the organizations of employees have been weakened by the concentration of their employers, we might put it that way—what agency, if any, could be used to more nearly balance the power between them?

Congressman LEWIS. I have none in mind except the suggestion made in the beginning of my remarks, that qualifications upon the absoluteness of the ownership of the property where social relations are sustained, such as now are imposed upon public-utility companies, for example, might be made. But I know there would be differences of conditions that would perhaps render the suggestion debatable. The public-service commission now is largely confined to the field of monopoly, especially to the field where rates are non-fluctuating. Prices of street car service, gas, electricity, and railway service are nonfluctuating, and competition is absent as an element to deal with the private management. In the coal-mining business competition is present and you have fluctuating prices. The argument might be a little weaker in the case of a public-utility commission, in that case than in the case of a glaring monopoly. But I do not think of any other suggestion that to me seems practical at this time.

Chairman WALSH. Have you given some thought to the question of the condition of the employees in an industry like the telephone industry in case of postalization by the Government? How would it affect the freedom of contract, the right to bargain collectively, exert a democratic influence in the fixing of conditions of their labor?

Congressman LEWIS. Well, speaking frankly on that subject, I think the relation of the Government as an employer to the workingman is very different from the relation of the private employer. Without any purpose to stigmatize the interest of the private employer his interest is as an investor. If he does not think about himself first nobody else will. He may have an interest there for underpaying his men or overworking his men. But the Government is purely an ethical agent. It has no feelings, it has no purposes except those that are ethical and it is absolutely without temptation to overwork or underpay its employees. Therefore the labor organizations as an instrument of defense in private employment is unnecessary in public employment, and the relation of the employee under the Government, the Postal Service to the Government, seems to me should be more in the order of my relation to the Government; that is, one of individual character.

Chairman WALSH. Mr. Garretson would like to ask some questions.

Commissioner GARRETSON. Mr. Lewis, when you were dealing with the first proposition that you presented, you made reference to the fact that boards of long existence of public-utility commission should be utilized in large industrial disturbances to determine the facts for the purpose of informing the public as to the facts causing the disagreement. Did you look on that as only a means for the furnishing of knowledge, leaving to other agencies the recon-

ciling of the disagreement after the facts had been brought out or the using of this commission as a settling agency also?

Congressman LEWIS. Well, they could be mediators as well as fact determiners. It has been suggested this European war might have been prevented if we had had a public-utility commission that would have had authority over those royal bumps. I think frequently these great disasters, industrial strikes, might be avoided if there was some place to go to state your case. In all my experience as a striker I got licked. I am, therefore, very much in favor of arbitration more than a very dear friend of mine who always won. His reaction to the subject was different from mine, you see. I think the interests of society are so great that they ought to predominate in this matter with regard to the wishes of employer and employee.

Commissioner GARRETSON. Do you believe that a different commission or agency might be better able to utilize the facts that were developed by a public-service commission than they would themselves—that is, as a settling agent? Would the publication of the facts weaken their influence as mediators and arbitrators?

Congressman LEWIS. Very probably so.

Commissioner GARRETSON. That is the point that appealed to me when you were making the statement, to determine which of those two things you thought were preferable?

Congressman LEWIS. Perhaps while the commission was getting the facts that the parties can be making up their minds whether they were for or against them, and they would thus perhaps become disqualified as an impartial tribunal.

Commissioner GARRETSON. That was the point that appealed to me. One thing further I would like to have your opinion on, because it is purely a matter of opinion. The question really consists of—I have got to state certain things that naturally follow the primary stage and then you can arrive at its sequence. We will take Government supervision. It is a foregone conclusion that supervision without control is forced—is there any power to put it in if deficit ensues, and on account of the measures that are put into that control deficit follows—now coming back to the original statement: Can there be effective supervision and consequent control without it leading to Government ownership?

Congressman LEWIS. Well, they can not be effective in the sense of absolute result without that conclusion. Society would have to take the responsibility for its orders.

Commissioner GARRETSON. It is the natural consequence of supervision and control that is necessary to make supervision effective, is it not?

Congressman LEWIS. If the employer were ordered to pay certain wages and work certain hours and to sell at certain prices, he would quit employing people unless the conditions were working out satisfactorily. Therefore industry would depend upon the Government for its future conduct.

Commissioner GARRETSON. If you leave the question of wages out, for instance, to fix the price of the product, and from other causes a deficit ensues, isn't there a nice question there as to who is going to assume the responsibility for the deficit unless ownership is assumed?

Congressman LEWIS. That is all involved in the problem, sir.

Commissioner GARRETSON. That is all.

Chairman WALSH. That is all. Thank you, Mr. Lewis, very much.

We will now stand adjourned until to-morrow morning at 10 o'clock.

(At 4.50 in the afternoon of this Tuesday, January 19, 1915, an adjournment was taken until to-morrow, Wednesday, January 20, 1915, at 10 o'clock a. m. at the same place.)

NEW YORK CITY, January 20, 1915—10 a. m.

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Harriman, Ballard, Weinstock, and Garretson.

Chairman WALSH. The commission will please come to order.

Call Mr. Schiff.

#### TESTIMONY OF MR. JACOB H. SCHIFF.

Chairman WALSH. Your name, please.

Mr. SCHIFF. Jacob H. Schiff.

Chairman WALSH. Where do you live, Mr. Schiff?

Mr. SCHIFF. New York.

Chairman WALSH. What is your business?

Mr. SCHIFF. Banker.

Chairman WALSH. In what corporations are you a director?

Mr. SCHIFF. I am a director of the Oregon Railway & Navigation Co., a subsidiary of the Union Pacific; the Western Union Telegraph Co.; the Central Trust Co.; the Wells, Fargo Express Co.; the Baron de Hirsch Fund; the Montefiore Home and Hospital for Chronic Diseases; the Tuberculosis Preventorium. There are some more that I can not remember.

Chairman WALSH. Could you approximate and state how many of those there are which you can not remember?

Mr. SCHIFF. I can not remember them all.

Chairman WALSH. No; I say could you state approximately the number of them, without designating the names.

Mr. SCHIFF. Call it in round numbers 10.

Chairman WALSH. Ten that you do not now recollect?

Mr. SCHIFF. Yes—

Chairman WALSH. Or 10 that you do recollect?

Mr. SCHIFF. No; 10 altogether; 10 altogether. I have named the principal ones.

Chairman WALSH. In those purely industrial corporations that you have named, leaving out for the present those that have for their object philanthropy, or public matters entirely, do you own or represent any considerable amount of stock in those companies in which you are a director?

Mr. SCHIFF. Yes; I think I do.

Chairman WALSH. To what extent, please.

Mr. SCHIFF. In which?

Chairman WALSH. In the companies that you have named.

Mr. SCHIFF. You want to have it in each separately?

Chairman WALSH. In each separate company; yes, sir.

Mr. SCHIFF. Well, call them off, please.

The REPORTER. Oregon Railway & Navigation Co.

Mr. SCHIFF. The Oregon Railway & Navigation Co. is a subsidiary company of the Union Pacific, and I represent several thousand shares in the Union Pacific; perhaps 10,000 or more.

Chairman WALSH. Ten thousand or more. Now, do you own those personally?

Mr. SCHIFF. Personally, and as representative of others.

Chairman WALSH. Well, now, how many do you own personally and how many do you control as representative of others?

Mr. SCHIFF. Well, I would say I own personally 5,000 or more.

Chairman WALSH. Of the Union Pacific?

Mr. SCHIFF. Yes.

Chairman WALSH. I wish that in giving the amounts of the others, Mr. Schiff, you will please make that disconnection; that is, the amount that you own actually, and the amount that you represent.

Mr. SCHIFF. As I say, I actually own 5,000 or more.

Chairman WALSH. But I say in giving the general numbers, I wish you would call it in that manner when the other names are read off to you by the stenographer, that you will make that distinction and I will not have to repeat the question every time.

Mr. SCHIFF. What is the next?

The REPORTER. Western Union Telegraph Co.

Mr. SCHIFF. I should say 3,000 or more personally.

Chairman WALSH. Do you represent any others in the Western Union?

Mr. SCHIFF. Yes; when I say 3,000 or more, it is my own stock.

Chairman WALSH. Now, how many would you say you represented? How many shares of stock in the Western Union?

Mr. SCHIFF. Many thousand shares.

Chairman WALSH. Could you approximate how many?

Mr. SCHIFF. No.

Chairman WALSH. You could tell that, could you not, from your books?

Mr. SCHIFF. No; I could not.

Chairman WALSH. Is there no way in arriving at the number of shares of stock you represent in the Western Union?

Mr. SCHIFF. Only by the stock standing on the books of the company in my name, or the names of some one of my firm.

Chairman WALSH. Does all of the stock you represent in the Western Union stand on the books of the Western Union Co. either in your name or in the name of some member of your firm?

Mr. SCHIFF. Yes, sir; that is correct, including clerks.

What is the next?

The REPORTER. The Central Trust Co.

Mr. SCHIFF. One hundred shares.

Chairman WALSH. Do I understand that the 100 shares are yours?

Mr. SCHIFF. Yes.

Chairman WALSH. Do you represent any others?

Mr. SCHIFF. I do not.

What is the next?

The REPORTER. The Wells, Fargo Express Co.

Mr. SCHIFF. One thousand five hundred shares or more of my own.

Chairman WALSH. Do you represent any in that company?

Mr. SCHIFF. Yes.

Chairman WALSH. Approximately how many do you represent?

Mr. SCHIFF. Perhaps two or three thousand.

Chairman WALSH. What information, Mr. Schiff, do you possess, either as a stockholder or as a director, concerning the labor conditions in these corporations in which you are interested?

Mr. SCHIFF. None.

Chairman WALSH. Do you make any effort to ascertain the labor conditions in those corporations?

Mr. SCHIFF. Only when there should be trouble.

Chairman WALSH. Only when there should be trouble?

Mr. SCHIFF. Yes, sir.

Chairman WALSH. And then what action do you take as a director?

Mr. SCHIFF. I ascertain the causes of the trouble and try to bring about a just treatment of all interests concerned.

Chairman WALSH. Do you receive reports from these corporations which give you any information regarding labor conditions before actual trouble breaks out?

Mr. SCHIFF. I do not.

Chairman WALSH. Is there any system in any of these corporations by which the directors are advised of complaints of men—of the employees—when they reach such proportions that trouble in the nature of a strike or lockout or violence is imminent, but before it actually takes place?

Mr. SCHIFF. Yes, sir.

Chairman WALSH. We will take the Western Union first; what is the nature of the reports that you receive from that company?

Mr. SCHIFF. During my directorship of the Western Union, which extends back about, I should say, 15 or 18 years, there has been only one serious trouble. I don't remember exactly when, but it was about five or seven years ago that there was a general strike on the Western Union. It may be 10 years ago; I don't remember exactly the time. This was the only time when the question of labor conditions came before the board of directors, or before the executive committee rather, to which I belonged. It was stated by Col. Clowry, who was then president, that trouble was brewing; that there was agitation on the part of the president of the telegraphers' union. He said certain demands had been made which it was not possible for the company to accede to, and then very serious consideration was given by the executive committee to the conditions among Western Union telegraph employees. Propositions were made to and fro, but the strike resulted before anything tangible could be arranged.

Chairman WALSH. When did you say that threatened trouble took place—about 15 years ago?

Mr. SCHIFF. Not as long as that. I think it must have been between 7 and 10 years ago.

Chairman WALSH. Now, do you have any organized or regular system for receiving reports from these companies as to labor conditions?

Mr. SCHIFF. That would naturally be in the hands of the executive officers—the president and general manager and general superintendent. It is not the office of directors to interfere in the management—in the technical management—of an industrial corporation.

Chairman WALSH. Are you a director in any corporation that is engaged in the mining business?

Mr. SCHIFF. I am not.

Chairman WALSH. Are you a director in any corporation that is engaged in the manufacturing business?

Mr. SCHIFF. I am not.

Chairman WALSH. Have you had any first-hand contact with labor questions on the Western Union other than that which you state took place 7 or 10 years ago?

Mr. SCHIFF. I have not.

Chairman WALSH. In your opinion, Mr. Schiff, to what extent are the stockholders and directors of corporations responsible for their labor conditions in them?

Mr. SCHIFF. Stockholders are not responsible at all, in my opinion. The directors are responsible as far as these matters are brought before them by the executive officers of the corporation.

Chairman WALSH. Suppose that the attention of a director was called to the alleged facts from a source which appeared authentic that the laws relating to the safety and well-being of employees passed by the State in which the corporation was located were being violated, what would be the duty, in your opinion, of the director?

Mr. SCHIFF. It would be his duty to go to the president or general manager of the company—to the president in the first instance—and inform himself of conditions, and if it is his belief that the laws are violated or that conditions are not as they should be, in his own opinion, he would bring it before the executive committee.

Chairman WALSH. And the executive committee would then do what?

Mr. SCHIFF. The executive committee would then discuss it, and if it found the statements correct it would try to correct conditions which are either in violation of law—it would alter them as far as they are in violation of law, and try to correct other conditions which might not be found as they should be.

Chairman WALSH. I was going to come to that. Suppose in the same way the attention of a director was called to the alleged fact that the conditions otherwise were not fair to the employees, although not within the inhibition of any statute, what would be the conduct of the director so informed?

Mr. SCHIFF. He would discuss it with the president of the company, get his explanation, and if his explanation is not satisfactory to him he would bring it before the executive committee.

Chairman WALSH. Do these executive officers of the company make regular reports to you or to the executive committee of these large corporations as to the general financial conduct of the corporation?

Mr. SCHIFF. They do.

Chairman WALSH. That is, there is a close check and audit kept upon the accounts of such corporations?

Mr. SCHIFF. There is.

Chairman WALSH. Now, do you require those to be made to the executive committee?

Mr. SCHIFF. To the executive committee and finally to the directors.

Chairman WALSH. And finally to the directors. Is the machinery such that it comes to the executive committee first?

Mr. SCHIFF. It does.

Chairman WALSH. And in the case of a company like the Western Union, how often does the executive committee meet regularly?

Mr. SCHIFF. Once a week.

Chairman WALSH. How frequently does the board of directors meet?

Mr. SCHIFF. I think every two months.

Chairman WALSH. And in case the situation of any sort became important enough, would the board of directors meet more frequently than that?

Mr. SCHIFF. There would be special meetings called.

Chairman WALSH. At any time?

Mr. SCHIFF. Yes.

Chairman WALSH. Now, would you please state, Mr. Schiff, what conditions of the company, financially or otherwise, are regularly reported by the executive officers to the executive committee?

Mr. SCHIFF. The earnings, the internal state of the company in general, financial requirements, necessity for opening new offices, the necessity for new material, and matters in general.

Chairman WALSH. Does it cover a balance sheet, profit and loss account, showing in detail the disposition of all financial matters?

Mr. SCHIFF. That would come at the end of every three months in the Western Union. It is done quarterly.

Chairman WALSH. And how about—is there any marked difference in the operation of the large railroad properties like the Union Pacific?

Mr. SCHIFF. There is not, except I believe in the Union Pacific it is done more frequently; probably done monthly.

Chairman WALSH. I say to make the matter in as concise shape as possible and not to make a particular study of the Western Union, I will, however, ask with reference to that company: Do these reports show the cost of production?

Mr. SCHIFF. Production of what?

Chairman WALSH. Of the work—the product of the Western Union out of which it makes its money—the sending of messages and the other duties performed by the Western Union.

Mr. SCHIFF. The monthly or quarterly report would show.

Chairman WALSH. What are the products of the Western Union? What does it do besides send messages or telegrams?

Mr. SCHIFF. The products of the Western Union are the earnings from the telegraph business. The products are the telegraphic receipts.

Chairman WALSH. Do they also control subsidiary companies in the city which hire messengers to go from place to place on the private business of persons who hire them?

Mr. SCHIFF. As far as I know the Western Union controls the American District Telegraph Co.

Chairman WALSH. And that company has offices throughout the United States where they have men and boys who go off on messages under private employment?

Mr. SCHIFF. I only know as far as New York is concerned.

Chairman WALSH. Has your attention ever been called to the practice in any other city at all?

Mr. SCHIFF. It has not.

Chairman WALSH. Are you a director in the American District Telegraph Co.?

Mr. SCHIFF. I am not.

Chairman WALSH. Does the American District Telegraph Co. ever report its activities to the board of directors of the Western Union Telegraph Co.?

Mr. SCHIFF. I believe not.

Chairman WALSH. In what way is the American District Telegraph Co. controlled by the Western Union Telegraph Co.?

Mr. SCHIFF. By stock ownership.

Chairman WALSH. By stock ownership solely?

Mr. SCHIFF. As far as I know; yes.

Chairman WALSH. Then, does it own all the stock or a majority of the stock or a mere control?

Mr. SCHIFF. As far as I know it owns a majority of the stock.

Chairman WALSH. Do you know offhand what amount it owns in the American District Telegraph Co.?

Mr. SCHIFF. I do not.

Chairman WALSH. Has your attention ever been called to the fact, if it be a fact, that the American District Telegraph Co. employs boys that are under legal age at any place?

Mr. SCHIFF. It has not.

Chairman WALSH. Has your attention ever been called to the alleged fact that it makes a large amount of returns by sending small boys into vice districts in the great cities?

Mr. SCHIFF. It has not.

Chairman WALSH. Have you ever heard of such a thing as a director of the Western Union Telegraph Co. or in your capacity as a citizen?

Mr. SCHIFF. I have not.

Chairman WALSH. Do the reports that you get from these companies show the operative cost of the operations of the Western Union Telegraph Co. in the various parts of the United States and in different parts of the United States?

Mr. SCHIFF. Not in detail.

Chairman WALSH. Not in detail. Is that done at any time during the year?

Mr. SCHIFF. That would not come before the directors. They would be embodied in the reports which go to the stockholders.

Chairman WALSH. Well, it would come to the directors then merely as stockholders with all the other stockholders?

Mr. SCHIFF. It would.

Chairman WALSH. Do you have a report printed periodically, a periodical report of the inspection of the equipment and machinery used by the Western Union Telegraph Co.?

Mr. SCHIFF. We have not.

Chairman WALSH. Do you have a system by which these inspections are required?

Mr. SCHIFF. The executive officers would naturally have.

Chairman WALSH. To whom then would the reports upon that subject go?

Mr. SCHIFF. They would report in general to the executive committee whether the machinery of the company is in good condition or where it needs improvement.

Chairman WALSH. How frequently would that come to the executive committee?

Mr. SCHIFF. Not at stated times—as often as necessary.

Chairman WALSH. In the actual practice, how often does that come to the Western Union Telegraph Co., to the executive committee of the Western Union Telegraph Co.?

Mr. SCHIFF. There is no actual practice about it. That would come before the executive committee as often as is required.

Chairman WALSH. During the past 10 years could you tell us how often such a report has come to the executive committee of the Western Union Telegraph Co.?

Mr. SCHIFF. I can not say offhand.

Chairman WALSH. Is there a periodical inventory made of the entire assets of the Western Union Telegraph Co.?

Mr. SCHIFF. That would be made once a year before the final balance sheet is made.

Chairman WALSH. Before what?

Mr. SCHIFF. Before the final balance sheet is made.

Chairman WALSH. I see. And does that come to the executive committee?

Mr. SCHIFF. It would.

Chairman WALSH. From the executive committee all of that information which you have detailed would go to the board of directors at an annual meeting?

Mr. SCHIFF. Would go to the board of directors probably at its very last meeting before the close of its fiscal year.

Chairman WALSH. Now, generally speaking, the practice that you have detailed here holds good throughout all of these large companies?

Mr. SCHIFF. I can only speak for the companies in which I am a director. It holds good in those.

Chairman WALSH. I mean those large companies—

Mr. SCHIFF. It holds good in almost every well-regulated company.

Chairman WALSH. Now, are there any other reports regular, we might call them regular reports of the conditions made to the executive committee that I have not enumerated here?

Mr. SCHIFF. I do not think so.

Chairman WALSH. You think you have mentioned them all?

Mr. SCHIFF. In a general way; yes.

Chairman WALSH. You think I have mentioned them all?

Mr. SCHIFF. In a general way.

Chairman WALSH. Would you regard a submission of regular reports to the executive committee, and from them, say, an annual report to the stockholders and the directors of these corporations, setting forth in full the labor conditions of those companies?

Mr. SCHIFF. Would I regard what?

Chairman WALSH. Would you regard that as desirable, that a very definite report, such as those you have mentioned, should be made at stated intervals covering labor conditions?

Mr. SCHIFF. It would be neither desirable nor undesirable. I don't know that it would lead to anything in particular, because the executive officers, as I have already stated, of any well-administered company, must deal with labor conditions.

Chairman WALSH. Must he not also deal very definitely with all of those financial conditions I have enumerated?



Mr. SCHIFF. No.

Chairman WALSH. He must not?

Mr. SCHIFF. No.

Chairman WALSH. Now, will you please outline, Mr. Schiff, the various philanthropic activities with which you are connected?

Mr. SCHIFF. I have named the different corporations already. If you will pick out any of them, I will answer you.

Chairman WALSH. We will take the Baron de Hirsch Fund. I have a little list of those you have given, and maybe we can get at it quicker in that way. What is the Baron de Hirsch Fund, briefly?

Mr. SCHIFF. The Baron de Hirsch Fund is a fund of originally \$2,400,000 which was given some 25 years ago by the late Baron de Hirsch to a board of trustees for the purpose of promoting the welfare of the Russian and Jewish emigrants that come into the United States. It was later raised by gifts and legacies from the Baroness de Hirsch to \$4,000,000, which it is now.

Chairman WALSH. You are a trustee of that fund, are you not, Mr. Schiff?

Mr. SCHIFF. Trustee and vice president.

Chairman WALSH. How many trustees are there?

Mr. SCHIFF. I believe there are 12, as far as I can remember.

Chairman WALSH. How many meetings did you attend during the year 1914, Mr. Schiff, of the Baron de Hirsch Fund?

Mr. SCHIFF. I should say from 6 to 10.

Chairman WALSH. How frequently are these meetings of the trustees held?

Mr. SCHIFF. The meetings of the trustees are called—the meetings of the executive committee, of which I am a member, are called—as often as sufficient business has accumulated to make a meeting necessary.

Chairman WALSH. How many members of the executive committee are there?

Mr. SCHIFF. I think there are eight—probably eight or nine members of the executive committee.

Chairman WALSH. Is the executive committee taken from the trustees?

Mr. SCHIFF. It is.

Chairman WALSH. What funds does the Baron de Hirsch Fund exercise control over?

Mr. SCHIFF. Only its own funds.

Chairman WALSH. In what sort of securities is that represented, or what form of wealth?

Mr. SCHIFF. Practically all in bonds and mortgages, real estate mortgages.

Chairman WALSH. Is there any particular portion of the country selected for the securing of the loans, the paper?

Mr. SCHIFF. Altogether in the State of New York.

Chairman WALSH. Kindly indicate what work this fund does.

Mr. SCHIFF. In the first place it subsidizes the Jewish Agricultural and Industrial Aid Society and sets up Jewish farmers throughout the United States by making advances on the chattels of the farmers. It maintains the so-called Baron de Hirsch trade school. This is a trade school which has two semi-annual classes in which men engaged in manual labor and otherwise—younger men—learn the rudiments of different trades, and it turns them into trade helpers, from which they become gradually industrial workers.

Chairman WALSH. Who determines the character of the vocational training that shall be given to these persons?

Mr. SCHIFF. The trade-school committee in the first instance, which is a sub-committee of the trustees having charge of the trade school. I suppose it consists of four or five members.

Chairman WALSH. Is there any outside party connected with the organization that controls the trade school—any representative from any local educational body, I mean?

Mr. SCHIFF. Ex officio, the superintendent of the trade school, a Mr. Talden.

Chairman WALSH. Is there any other outside representation, outside of that?

Mr. SCHIFF. Not that I can remember.

Chairman WALSH. When was the last time that any determination was made as to the course of studies in the trade school, or has it been a development?

Mr. SCHIFF. That is continually being done. They teach some five or six trades, principally electrical work, carpenter work, printing, plumbing, machine work, and painting. I believe that is about what they teach.

Chairman WALSH. Is there any committee or any member of your organization which seeks to obtain employment for the graduates of the school?

Mr. SCHIFF. The superintendent attends to that. These boys are nearly always—younger men—they are between the ages of 16 and 20. They are nearly always in very considerable demand. The unions are rather favorable to the trade school.

Chairman WALSH. Did you say favorable or unfavorable?

Mr. SCHIFF. The labor unions are favorable to them, and it has been a very successful undertaking.

Chairman WALSH. There is no effort in any way made in the school to direct the students along any lines of social or political economy, is there?

Mr. SCHIFF. No; there is not.

Chairman WALSH. Did I interrupt you, Mr. Schiff?

Mr. SCHIFF. I only wanted to go on and tell you—

Chairman WALSH. Please do so.

Mr. SCHIFF (continuing). Then, we maintain an industrial school at Woodbine, N. J., where we give the young men an education in agriculture. Generally, we take them at the ages—I believe the minimum age is 14 years—and try to train them into agricultural helpers—something better than farm hands, and we have graduated a very considerable number of young men from there who have gone into agriculture.

Chairman WALSH. What would you say was the total attendance during the past year in your trade school?

Mr. SCHIFF. In our trade school the actual attendance is about, in each class, between 150 and 175. When I say "each class" I mean each five months' class, so that the school would turn out in a year about double this number, say, from 800 to 350.

Chairman WALSH. And in the agricultural school, what number?

Mr. SCHIFF. In the agricultural school, I believe, the attendance is from 70 to 75.

Chairman WALSH. What reports are issued by the Baron de Hirsch Fund?

Mr. SCHIFF. The Baron de Hirsch Fund issues no public reports, as it has no stockholders. It is not a stock company. It issues a report from its books, which are open to inspection, but it does not issue a printed report of its activities.

Chairman WALSH. Does it make a report at any time that is given to the press?

Mr. SCHIFF. Not in particular, except as the press inquires.

Chairman WALSH. You say that they have books. What do you say they have for public inspection, if desired?

Mr. SCHIFF. Any legitimate party is free to look at its books.

Chairman WALSH. What has been the total expenditure of the Baron de Hirsch Fund to date in benefactions, in round figures? Approximately, what has been the total amount of the benefactions it has given to trade schools?

Mr. SCHIFF. I should say the average it has expended during the past 20 years is about \$175,000 a year.

Chairman WALSH. Now, outside of the schools, what are its other benefactions, Mr. Schiff?

Mr. SCHIFF. We have founded in south Jersey about 20 years ago—20 or 25 years ago—the town of Woodbine, which is an agricultural farming and industrial settlement, and in which we have invested a considerable amount of money. The town is now self-governing and has been for something like 10 years.

Chairman WALSH. Do you ever extend any personal or individual aid?

Mr. SCHIFF. Please repeat that question?

Chairman WALSH. Does your Fund extend individual aid to persons?

Mr. SCHIFF. Yes; I have already said it makes loans to farmers; it makes loans to settlers—individual loans. It also aids committees, educational committees in various cities of the Union, like Philadelphia, Pittsburgh, and, I think, St. Louis, to a small extent.

Chairman WALSH. By what means is the succession of trustees provided for?

Mr. SCHIFF. The trustees were originally named by Baron de Hirsch, who died in 1894, and it is a self-perpetuating body.

Chairman WALSH. How would a trustee be disposed of in the event of misconduct?

Mr. SCHIFF. Under the laws of the State; but such things do not happen.

Chairman WALSH. Such things have not happened in your organization up to date?

Mr. SCHIFF. No, sir.

Chairman WALSH. But, if such a thing did happen, is the power in the majority of the board of trustees, or is it lodged some place in the body to remove a trustee for misconduct that might not reach the magnitude of an infraction of a State law?

Mr. SCHIFF. Only so far as it is provided for in the laws of the State of New York.

Chairman WALSH. By what principles are the individuals selected who receive this aid, if they are so selected?

Mr. SCHIFF. They are selected by the judgment of the executive trustees for their high-mindedness, conscientiousness, and known qualities as good citizens, if you mean the trustees.

Chairman WALSH. About how many appeals do you receive in the course of a year? How many appeals for aid?

Mr. SCHIFF. We do not receive any appeals for aid. We do not disburse original aid in the sense of charity.

Chairman WALSH. Do not persons appeal to you individually in any instance—for instance, to obtain loans to go upon farms, and the like of that?

Mr. SCHIFF. Those appeals would be made to the superintendent of the Jewish Agricultural and Industrial Aid Society.

Chairman WALSH. What connection has that society with the Baron de Hirsch Fund?

Mr. SCHIFF. The Baron de Hirsch Fund delegates certain of its directors or managers and pays it something like \$50,000 or \$60,000 a year.

Chairman WALSH. Are you a director in that?

Mr. SCHIFF. I am not.

Chairman WALSH. Do you study the operations of that subsidiary organization as a director of the Baron de Hirsch Fund that sets aside \$50,000 or \$60,000?

Mr. SCHIFF. The organization issues an annual report, which I study very carefully, and by conference from time to time with its manager, Mr. Robinson.

Chairman WALSH. Have they some sort of systematic scheme by which they look up the person that might be benefited in the way you have indicated, individually, by putting them on a farm, and so on?

Mr. SCHIFF. Very systematic indeed.

Chairman WALSH. Briefly state what is the system of selecting the people.

Mr. SCHIFF. You must turn to the manager for that. I can not give you the details. I know it is done generally—very systematic and very successful.

Chairman WALSH. Do you know the general details as to whether or not they have agencies in different parts of the country or in different parts of the world, or whether they receive personal appeals from individuals and tabulate them and investigate them, or how? Just in a general way, tell us.

Mr. SCHIFF. The information that I could give as to this would be so meager that I would suggest that you call Mr. Leonard G. Robinson, the manager, before you, and he can give you anything in that regard.

Chairman WALSH. Well, we will get the information from him, then. You make no personal efforts, or the board of trustees of the Baron de Hirsch Fund have been making no personal effort to locate where the persons to whom these benefactions may be extended?

Mr. SCHIFF. It does not.

Chairman WALSH. It is all left to that subsidiary organization?

Mr. SCHIFF. It is all left to the organization.

Chairman WALSH. Is there or is there not waste in the field of what you might call charity, of extending aid to unemployed persons that need assistance?

Mr. SCHIFF. Is there any what?

Chairman WALSH. Is there not waste in the field? Have you observed as a person interested in those subjects whether there is waste?

Mr. SCHIFF. Waste?

Chairman WALSH. Yes.

Mr. SCHIFF. There is nothing in human endeavor which has not waste. I believe in general the philanthropic work—so-called charity work—certainly wherever it is done in this city, is done with a great deal of efficiency.

Chairman WALSH. Have you observed during your life, Mr. Schiff, and your efforts in the field of which you have spoken, not only with the Baron de Hirsch Fund but with the other organizations that we will not go into in detail this morning, any scheme by which, first, the necessity for such help might be best prevented?

Mr. SCHIFF. Preventive charity is always the best, and there is a great deal of effort made in that direction and a great deal of successful work done.

Chairman WALSH. Along what general lines, for instance, laying aside the important thing of educating the young to be useful, along what general lines would you say that effort has been?

Mr. SCHIFF. To help those who are able to get into dignified work to secure dignified existence; if they can get small means, to help them to help themselves; to help people in general to help themselves; to find employment for the handicapped.

Chairman WALSH. I did not catch that last. Will you read it, Mr. Langdon?

The REPORTER. To find employment for the handicapped.

Chairman WALSH. You mean for the physically handicapped, or the economically handicapped, or what?

Mr. SCHIFF. Both.

Chairman WALSH. Now, have you given any study to any definite mode by which you would work out that last suggestion?

Mr. SCHIFF. Yes.

Chairman WALSH. Well, first we will take those that fall below what you might call the minimum of efficiency physically for some reason.

Mr. SCHIFF. For instance, there are a great many who can work who are crippled but who still can work, for whom you might get small trades; you can set them up in stands, trading stands.

Chairman WALSH. The idea, then, being, Mr. Schiff, to direct those persons along what you might call the line of vocational guidance into what they were best fitted to do with their physical handicaps?

Mr. SCHIFF. Yes; to some extent.

Chairman WALSH. And would that include the institution of industries, probably, that would take care of persons of that kind, so handicapped?

Mr. SCHIFF. It would.

Chairman WALSH. Now proceed, please. I say, just proceed, please.

Mr. SCHIFF. In a great many instances small loans to tradespeople, to be gradually repaid from their earnings, or not, if that be not possible, in order that they may not become a charge upon the community; loans to the laborer and others on pawn, or chattel, or even on their own responsibility, to help them over the hard times. The activities in that direction are so many that it is impossible to point out actually everything.

Chairman WALSH. Could you suggest some other line of activity along what you designate as furnishing the man who is not handicapped physically with the means of earning his own livelihood?

Mr. SCHIFF. In the first place, employment offices.

Chairman WALSH. Would you have those public or private, or how operated?

Mr. SCHIFF. I do not think any employment offices can be successfully conducted, or are successfully conducted, except for domestic help—I exclude that—except if the United States Government would take this altogether in its own hands. We need a constant bringing together of those who need work and those who have work to give in all parts of the Union. As it is now, there is too much congestion and too much crowding into single sections; there is always a great superabundance of labor in New York and in the Atlantic coast cities. That should be prevented if possible. There should be some way by which there could be pointed out to the labor seeker, who can not find labor in the place in which he for the moment dwells, where the laborer is needed; and there is labor needed somewhere in the United States at all times. I know of no employment exchange—local employment exchange—that has been honestly conducted that has ever been a success. I have been connected with quite a number of these. A great deal of money has been sunk in local employment exchanges, and none of them have been able to exist for an indefinite time. At some time they all had to give up for the want of funds with which to further conduct them, because they were limited to find labor locally. It is only through the Federal Government that—

Chairman WALSH (interrupting). Well, you think it is impossible, then, to correlate such public agencies unless they are nationalized—unless the Government does it?

Mr. SCHIFF. That is my opinion.

Chairman WALSH. Have you considered—did you get a copy of the bill proposed by this commission through the mails during the last few months, Mr. Schiff?

Mr. SCHIFF. I have not.

Chairman WALSH. It has not been called to your personal attention, then?

Mr. SCHIFF. Not that I can now remember.

Chairman WALSH. What substantial result, if any, do you consider has been achieved by these activities, such as the Baron de Hirsch Fund and others, toward reducing the amount of poverty and suffering?

Mr. SCHIFF. Very considerable. You can not point it out in figures, but the result has been tremendous.

Chairman WALSH. Would it or not be a good idea to have statistics kept of the general benefits derived by the whole social fabric through these activities and publish them from time to time as part of the work and as a guide to others that might be inclined?

Mr. SCHIFF. I have no doubt but that all these foundations—I know that the Baron de Hirsch Fund and others with which I am connected keep such statistics. But certainly it would be well if these statistics be published in general.

Chairman WALSH. Would they be formulated in such a way as to indicate to the public the advance that was made from time to time in the whole social scheme by such work?

Mr. SCHIFF. Only good result from it, sir.

Chairman WALSH. Do you consider that more substantial gain might be made in the conduct of these great betterment activities by democratizing them, by bringing in outsiders other than indicated as trustees, or, perhaps, not persons of great wealth themselves, or injecting the hand of the State, say, of the municipality, the community as it were into them, or have you given that subject any thought?

Mr. SCHIFF. I am very certain that in the selection of trustees or managers, or whatever you may call them, of these great foundations the question of wealth has absolutely nothing to do and has absolutely not entered in. I am convinced that every foundation—at least, every one that I know of—at the first determining or election of trustees and manager have had no sort of desire but to bring in the most able and most efficient men or women, whether they be rich or poor—in most cases they are poor—what we call poor in these days—to help in managing and guiding the work of the foundation.

Chairman WALSH. What do you say as to giving the State a representation in them, or the Nation—the Government, I will say?

Mr. SCHIFF. I do not think it would be a proper thing to bring in what we call in general the political element, which, in that case, would be the State.

Chairman WALSH. Well, would what you would call the political element include all of the officials of the Government, the representatives and the executives of the State?

Mr. SCHIFF. It does.

Chairman WALSH. And speaking of that as the political element, you do not believe that it would be wise to allow the State representation through officers of that kind in these organizations—in the administration of them?

Mr. SCHIFF. As a general proposition, I do not think it would be wise.

Chairman WALSH. What is your attitude toward the organization of employees for their own protection and the advancement of their own interests, if they so consider it?

Mr. SCHIFF. I believe that the proper organization of employees for their own benefit, which is the benefit of the State, ought to be encouraged in every way.

Chairman WALSH. What benefits that you include are there—moral and financial betterments?

Mr. SCHIFF. Their moral and economic betterment.

Chairman WALSH. Upon what information or experience, Mr. Schiff, is your attitude in that direction based?

Mr. SCHIFF. Upon a close study as a citizen of labor conditions generally.

Chairman WALSH. Have you taken any action publicly or privately with regard to the organization of the Western Union Telegraph Co. employees?

Mr. SCHIFF. I have not.

Chairman WALSH. Are you aware of the fact, if it is a fact, that the Western Union Telegraph Co. maintains what is called a blacklist—that is, a list upon which the names of men are placed who are accused of being active in promoting organizations of employees?

Mr. SCHIFF. As far as I know, I doubt whether such a blacklist is maintained. I think that is a charge that frequently has been made and does not exist. Do not forget that the Western Union, if you pick out such a company, is a public-service corporation which owes to the public a duty to efficiently do

its service and that it can not subject itself—less perhaps than any other industrial corporation—to the dictates of a labor union.

Chairman WALSH. The popular name given to this information is called a "blacklist," and I am using that simply—

Mr. SCHIFF (interrupting). I know nothing of that and do not believe it exists.

Chairman WALSH (continuing). I was just trying to explain to you why I used the term "blacklist," as has been complained of. I use the term "blacklist" as has been complained of before the commission from time to time as said to consist of the names of men who are active in attempting to organize their fellow employees into labor organizations, as they are known to-day, into the ordinary labor organization.

Mr. SCHIFF. I know nothing of that.

Chairman WALSH. Now, regardless of the maintenance of such a one in the Western Union—because I am using that company always, as I told you—

Mr. SCHIFF (interrupting). I know nothing of it.

Chairman WALSH (continuing). What is your attitude toward such conduct?

Mr. SCHIFF. I don't think that any executive officers of an industrial corporation who are self-respecting would maintain any such list.

Chairman WALSH. Are you aware of the fact, or is it a fact, that the Western Union in all of its leases reserves the right to specify what men shall work upon leased wires as laborers or employees?

Mr. SCHIFF. I do not know anything about it.

Chairman WALSH. What is your attitude toward the employment of children in industry?

Mr. SCHIFF. I believe that the child should be protected in every possible way. I do not think that any child under 14 years, as a minimum, ought to be employed in any kind of labor for profit.

Chairman WALSH. Now, above 14. What is your attitude as to the protection that should be furnished to children in industry, both as to health and morals, assuming that 14 is a tender age, of course.

Mr. SCHIFF. That is a very far-reaching question. The first condition should always be that the child, if it is employed at all, be surrounded with every protection for good morals and for good health.

Chairman WALSH. Have you read any of the reports of vice committees in the United States that pointed out the alleged fact that large numbers of boys in the employment of the American District Telegraph Co. were sent in the nighttime as a regular practice to vice districts in the conduct of their everyday affairs.

Mr. SCHIFF. If I remember correctly, some years ago such a statement was made in some newspapers. I can not exactly now recall what it was. I would prefer not to answer this, because I do not sufficiently recollect what it was.

Chairman WALSH. Has the executive committee—I believe you answered that they did not have any knowledge of it—or you have any knowledge of it, if it is a fact?

Mr. SCHIFF. Not at all.

Chairman WALSH. And therefore no action that you know of has been taken. As the result of your observation and experience as a banker and a man engaged in the work of the betterment of mankind, do you believe that industrial discontent in America is increasing?

Mr. SCHIFF. I should rather think and hope that it is decreasing.

Chairman WALSH. Commissioner Weinstock would like to ask you a few questions, if you please, Mr. Schiff.

Commissioner WEINSTOCK. On what basis, Mr. Schiff, does the Baron de Hirsch Fund make loans to farmers?

Mr. SCHIFF. Well, I have already said, in reply to a question put by the chairman, that you better direct that question to the manager of that department of the society. Certainly you can thus get more minute information.

Commissioner WEINSTOCK. You do not know their rate of interest which they charge or the length of time allowed the borrower to pay back?

Mr. SCHIFF. I know the rate of interest charged is generally 4 per cent.

Commissioner WEINSTOCK. Four per cent; and how many years does the borrower have in which to repay the loan?

Mr. SCHIFF. I think you had better ask the manager about that.

Commissioner WEINSTOCK. Mr. Untermyer, in giving testimony the other day—the following was stated, and I am sure the commission would be very glad to get your opinion on the statements made. The question was asked Mr. Untermyer:

"You made the statement that the railways of this country, as a great body of the railways, are practically under the control of two financial groups?"

"Answer. A large part of them are. A large part of that mileage is under the domination, or under the potential domination of these groups."

"Question. How has the reserve banking act affected, if at all, the banking control of railroad systems?"

"Answer. Not materially, as yet. It is hoped that it will. It is expected that it will in this way: That until the banking law was passed the reserves of the banks all through the country were deposited in New York largely, and these reserves were deposited in banks that were controlled by the same groups, and those vast funds were under the domination of these men. Now, the reserve act, when it gets into full operation, which will take a few years, will distribute those reserves, and the vast sums that come to New York will not come here; and in that way there will be, to some extent, the centralization of the control—concentration of the control of this money that was in the banks. I look for very substantial results from the Federal-reserve act. I think it is one of the greatest pieces of constructive work this country has ever done."

In how far, Mr. Schiff, does your opinion concur with this?"

Mr. SCHIFF. My opinion concurs with that of Mr. Untermeyer as to the Federal-reserve legislation, that it is one of the greatest pieces of constructive legislation we have ever done. As to the statement that two groups of bankers control most of the railways of this country, I think it is sheer nonsense.

Commissioner WEINSTOCK. You think Mr. Untermeyer is mistaken about that?"

Mr. SCHIFF. Very much so.

Commissioner WEINSTOCK. What are the facts, as you know them, Mr. Schiff?"

Mr. SCHIFF. I do know—so far as I know there is absolutely no control except that such control is exercised indirectly by the officers and directors for the time being who from year to year send out proxy blanks to the shareholders who are at liberty to return them or not. I believe that the weakness of the whole system is the human weakness, that stockholders, as long as things go right, do not pay any attention to the management of their property; and that only when things go wrong they come to realize that they are stockholders, and that they should not have permitted their property to be controlled by those who have wrongly or badly managed it. If stockholders would make it a business of exercising their right as stockholders and devote themselves—which I am afraid you can never make them do by law—to the affairs of their companies very little of what is called railroad mismanagement would happen in this country.

Commissioner WEINSTOCK. You think that the railway mismanagement, then, is largely due to neglect of their duties on the part of the stockholders.

Mr. SCHIFF. To neglect on the part of the stockholders—a human failing.

Commissioner WEINSTOCK. Mr. Untermeyer was further asked this question:

"You also pointed out how, under the system of railroad reorganization, a small minority is made to control. In other words, the tail wags the dog."

"Answer. Well, not exactly that. That was not what I intended to convey. I intended to convey the idea that the financial interests that dominated the road when it gets into trouble retain that control through our method of reorganization after it gets out of trouble and continues to dominate."

"And in the case in which it does not dominate the road before it got into trouble, our system lends itself readily to getting domination over it when it gets into trouble and when it is out of trouble."

"Question. Well, now, so far as you have been able to observe, has that system proven helpful or hurtful to the railroad stockholders?"

"Answer. I think very hurtful."

"Question. You think very hurtful. That is, it has robbed the majority of the minority stockholders of a voice?"

"Answer. Not only of a voice, but it has robbed the roads of the protection that would come from the protection of a minority voice."

"Question. And I suppose you would point to the New Haven road as a horrible example?"

"Answer. Well, I should point to others as much more horrible examples, because in the New Haven road I do not think there was much corruption, if any—"

Mr. SCHIFF. There was much what?"

Commissioner WEINSTOCK. "Corruption, if any. There was very bad judgment and recklessness in attempting to dominate nearly a whole section of country; but in other roads it has been much worse."

Now, the point is, in how far from your knowledge and experience and observation Mr. Untermyer is correct in his statement, when he says that when a road gets into trouble the banking interests dominate it and retain that dominating control after the trouble has been righted.

Mr. SCHIFF. I think what Mr. Untermyer points out is, in a certain way, correct. The difficulty is not in the banking interests that have reorganized that wants control; it is the fact that in most instances the banking interests can not rid itself of certain control. When the stock issued in a reorganization is issued to the banking interests, those to whom it goes—often people to whom such stock goes live in remote places. They represent former bondholders in Europe and all over the United States, and they won't transfer their stock as they should into their own names from those in which they receive it. There is where the difficulty is, and I am quite certain that most of the banking interests who in a reorganization have to make themselves responsible for the first year's management immediately after a reorganization is completed would much rather rid themselves of that responsibility if only the stockholders would take hold themselves.

Commissioner WEINSTOCK. In other words, the banking interests look upon that as a burden and a liability rather than as an asset.

Mr. SCHIFF. Somewhat in that way.

Commissioner WEINSTOCK. Now, furthermore, the question was put to Mr. Untermyer:

"Question. You also pointed out that the large industries or important industries getting into a few hands was inimical to labor?"

"Answer. Yes; puts it at a great disadvantage.

"Question. That is, minimizes the possibility of labor organization?"

"Answer. Well, not only labor organizing, but unorganized, in getting its rights, because labor has nowhere else to go. If the labor in an industry has only that industry that it can deal with and has to deal with the whole industry and their terms are unsatisfactory, then it has nowhere else to go."

Now, has it been your observation, Mr. Schiff, that the large industries getting into a few hands was inimical to labor, to the interests of labor.

Mr. SCHIFF. Yes and no. It is very difficult to set forth an opinion. I believe it is of much advantage to labor to deal with large organizations. I believe it is of more advantage to labor to deal with one body of men who are in the limelight of public opinion. And no matter what they personally may want to do, they must regard what the public tells them is right, and public opinion is generally right. It is harder for the laboring man to deal with many small employers, who may be selfish, and often are, and who are not amenable to public opinion; so I say yes and no.

Commissioner WEINSTOCK. You have just pointed out the advantage to labor in being where it can deal with a few large corporations that are in the limelight and are a target. What are the disadvantages?

Mr. SCHIFF. The disadvantages are that the smaller employer can often not hold out as long against the demands of labor. He employs his own capital, and when he succumbs it is his end. The large corporation can, as a rule, with much more power, hold out against what it thinks may be an unjust demand.

Commissioner WEINSTOCK. Is it not also a fact, Mr. Schiff, that very large corporations that are only indirectly dependent upon public good will, like a great steel company that sells its product to builders and contractors and to manufacturers, and coal mines that do not deal directly with the consumer, that enterprises of that character can afford to ignore public opinion, as they did in Colorado where every possible pressure was brought to bear on them through public sentiment, but they refused to yield to public sentiment?

Mr. SCHIFF. I did not speak of public good will, but public opinion, and I do not believe that in the long run public opinion can ever be defied. The last word has not been said yet in Colorado. Public opinion in the long run always survives. Sometimes public opinion is wrong, but in the end it determines all matters generally justly.

Commissioner WEINSTOCK. I take it that you think public opinion can crystallize itself into legislation that no one can deny.

Mr. SCHIFF. Yes. Sometimes it is mistaken legislation, but then legislation may likewise be corrected through public opinion. That is all.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. That is all, Mr. Schiff, thank you.

Is Dr. Hollander here?



## TESTIMONY OF PROF. JACOB H. HOLLANDER.

Chairman WALSH. State your name please.

Prof. HOLLANDER. Jacob H. Hollander.

Chairman WALSH. What is your profession?

Prof. HOLLANDER. I am professor of political economy in the Johns Hopkins University.

Chairman WALSH. How long have you held that position?

Prof. HOLLANDER. I have been connected with the teaching staff for 20 years.

Chairman WALSH. Has that been your life work?

Prof. HOLLANDER. It has.

Chairman WALSH. Where did you prepare yourself?

Prof. HOLLANDER. At the Johns Hopkins University.

Chairman WALSH. You are a graduate of that university?

Prof. HOLLANDER. I am.

Chairman WALSH. You reside in Baltimore?

Prof. HOLLANDER. Yes.

Chairman WALSH. Have you made any study of the questions, the broad general questions of unemployment, industrial warfare, poverty, and its causes?

Prof. HOLLANDER. My interest has been, I think, that of all political economists, a study of the causes of modern social unrest. The opinions which I have reached are, I think, in a general sense, those of modern political economists. A very considerable number of economists have doubtless developed minor differences, but in the main I should say there is a reasonable consensus of opinion.

Chairman WALSH. Did you make a particular study of the effect of the concentration of industry—the organization of industrial plants into very large corporations?

Prof. HOLLANDER. Only as the general problem has led to a study of that particular phase of the matter. Might I ask, Mr. Chairman, whether it would not perhaps be simpler if I were to describe, not in any great detail, the general point of view from which I have approached this problem?

Chairman WALSH. I think it would be very well to do that.

Prof. HOLLANDER. The opinion of political economists, in so far as I can voice it, is that the social unrest—manifest not only in this country but in every industrial country—is due to the existence of economic want or poverty, as distinct on the one hand from pauperism and on the other from economic inequality. By poverty, I mean the existence of large areas of industrial society the members of which are in receipt of incomes less than enough to maintain themselves and those dependent upon them in decent existence. I believe that such poverty is the consequence, not of any absolute dearth—that the world produces enough to go around, that economic want is therefore not a question of insufficient production but of defects in distribution.

The issue then presents itself as to whether these defects are fundamental, involving the whole distributive system, or whether they represent merely friction in the existing system. The first view is, of course, that entertained by the socialistic school, and by the extreme individualistic school. As to the attitude of the political economist is that the case is not proven, even though it may hereafter appear that the defects of the existing industrial order are beyond remedy, and that we will then be warranted in attempting some radical reconstruction. In short, we must exhaust the possibilities of remedial correction before taking a leap in the dark. Political economists therefore are in sympathy with forms of social intervention whereby, to some extent through the pressure of public opinion and to some extent by actual legislation, society shall intervene to correct the ills which have developed. Now, those ills, we believe, are largely consequent on insufficient income. We recognize that there are existing disorders, quite apart from questions of income, such as the well-known evils of city residence, insanitary environment, the needs of labor legislation and the like. But in the long run it is true that the great mass of poverty is the consequence of the inability of men, anxious, eager, and ordinarily competent to work, to earn enough to maintain the standard which prevents poverty. Now, this conclusion does not run counter to the accepted theory of wages. Perhaps, instead of "accepted theory of wages" the proper term is "prevailing theory of wages," for there is no complete agreement among economists as to what determines wages. But whatever views or theories obtain as to the law of wages, whether it is determined by the standard of life or by the productivity of labor, or by demand and supply, there is nothing in any current theory of

wages that precludes the laborer from obtaining a sufficient wage. If he fails to secure such a wage, it must be in consequence of the fact that he enters into the wage contract on a plane of competitive inequality. The wage contract, in short, is the result of a bargain between the employer and the employee, and if the employer is in a superior competitive position, by reason of combination, and the laborer is unorganized, he is at a bargaining disadvantage which is certain to redound to his hurt.

I think political economists accordingly then are in agreement that trade-unionism is essential as a means of bringing the workman into industrial bargaining on a plane of equality. Trade-unionism is not, however, a complete panacea. There remain certain industrial classes who are unorganizable and other classes who through defects of body or mind are unemployable, as, too, there are certain social phenomena which at recurring intervals make employment impossible. So that trade-unionism must be supplemented by provision for three classes; the underpaid, whose needs should be met by wage legislation, commonly described as "minimum-wage legislation"; the class of the unemployed, who are brought to their plight by seasonal or cyclical fluctuations in industry; and the class of the unemployable represented by the maimed, by those who have reached industrial old age, and by those who have been thrown out by sickness. Trade-unionism, in other words, supplemented by provision for the underpaid, the unemployed, and the unemployable, represents the program. I may say finally that I am far from suggesting this is a platform on which all economists are agreed, but I think it might be described as the general consensus prevailing among them.

Chairman WALSH. Now, you say you believe that remedial measures have not been exhausted under our present system. I wish you would apply that general statement to the situation as you find it from your research in the country to-day and suggest, first, what remedial measures you would indicate as being fundamental to an approach to the situation, aside from regulation of tenement districts, etc.

Prof. HOLLANDER. Society has never taken seriously the problem of poverty. We have never attacked it as disease is attacked. What we have done is to devote attention to pauperism, because that is spectacular, the inability to provide decent livelihood only comes to the fore when there is some spectacular disorder, a great industrial conflict. The silent, tragic mischief-working conditions have never received attention. It is like a form of disease that goes on and no one discovers it until the collapse comes. When we realize that there are at any given time vast numbers, perhaps 10,000,000, of persons in the United States in that condition and undertake to analyze the causes and proceed to apply general remedies, then it seems to me we have launched upon this kind of intervention. You have asked specifically what form it is to take. It means in the first place a very decided revulsion of opinion as to trade-unionism. The general attitude among employers of labor is often open and decided opposition to labor. Until society recognizes the unwisdom of that attitude and demands that the laborer must enter into his wage bargaining on a plane of competitive equality society has not lifted its finger to remedy that evil.

Again, when society, having taken that step, and having recognized that trade-unionism is a proper and legitimate social institution as much as the regulation of the employment of children or the limitation of the hours of employment of women, and meets the further difficulty that there are classes of workers who can not be reached in this way, then society will take the next step. Not next in the order of time, for it may proceed on simultaneously in the way of minimum-wage legislation, and thereafter in other directions.

Chairman WALSH. Is there a scientific basis for minimum wage outside of the question of legality?

Prof. HOLLANDER. Yes. Society has never hesitated to intervene to define minimum standards of employment as to hours of work, as to the age of the worker, as to working environments. Time was when society looked upon with the same wonderment upon the proposition that the State should intervene and say to the employer, "You shall not employ children under a certain age; you shall not employ women over a certain number of hours. Those are matters of free contract."

Now, if this can be done with respect to minimum conditions of employment, why should it not be done as to minimum wages?

Chairman WALSH. What would you say about the suggestion that if that principle were settled into the law of the land—in logic, could it be used to

establish a maximum wage and thus the employment would, through the law, be made subject—

Prof. HOLLANDER (interrupting). That, it seems to me, would be nonsequitur. The law intervenes to define minimum conditions of employment. It says you must not employ a child under a certain age, but it does not say what the age of actual employment shall be. It says that you shall not work men or women more than a certain number of hours, but not how many hours you shall actually work them. The idea is to establish the plane upon which competition shall prevail.

Chairman WALSH. What is your diagnosis of the industrial situation, say, as to the principal ills from which American industry is suffering at the present time?

Prof. HOLLANDER. The existence of economic want. The existence of large numbers of people having less than enough to maintain themselves and those dependent upon them in decent existence. Society has no sympathy with mere economic inequality if the least well off have enough for decent existence. It is a fact that there are great areas of decent, God-fearing people, who have less than enough, and that makes the problem grave.

Chairman WALSH. What would you say would be the immediate and practical remedy for these ills? We will leave the question of minimum wage.

Prof. HOLLANDER. I should say provision for what I have defined as the unemployable, those who are in a measure down and out, either from accident, which involves a system of workmen's compensation; and those liable to become down and out from the results of sickness, which involves insurance against sickness; and those actually down and out through old age, which involves insurance against old age. That is, minimum wage legislation supplemented by a system of social insurance, together with some provision against that cruelest of all social injustices, unemployment.

Chairman WALSH. A suggestion along that line, if you please, as to machinery.

Prof. HOLLANDER. I should say we can do no better than to follow the lead of progressive communities, notably England, in that respect. A system of State administered employment bureaus, together with certain measures designed to affect decasualization.

Chairman WALSH. Has there been any effort that has come under your observation of decasualization of labor; that is, any invention or plan that if it could be called such has a tendency to decasualize common labor or to make it less seasonal?

Prof. HOLLANDER. The most remarkable example, I suppose, would be that of the London dock workers. This is a story doubtless familiar to the commission and I need not go into it, but it was one of the most scandalous evils of our modern industrial system. Thousands of men were clamoring like wild beasts for a chance, each morning, at the gates of the London docks, with no possibility of more than a fractional part of them ever getting a day's work, and the whole mob being kept alive by the fact that in the course of a week perhaps each could get two or three days' work.

The newly formed employment bureau took the matter in hand, and by a system of registration, whereby it was definitely indicated by each of the dock companies as to how many they needed, undertook to practically establish a permanent dock force. The result doubtless has been some temporary hardship suffered by those who had been looking for this casual work, but the net result has been great good, in that it assigns to dock work the number of men who are needed for that, and gives no work of that kind to this surplus, leading eventually, indeed, to their dissipation and absorption in other fields of industrial employment.

Chairman WALSH. Do you know of any plans that have been attempted to be worked out in this country?

Prof. HOLLANDER. Nothing, it seems to me, that has gotten beyond the mere employment-agency idea, the theory summed up in that—a common phrase of "the jobless man and the manless job." But that, it seems to me, is only one of the features and rather a minor feature of an employment agency.

Chairman WALSH. Could not a scientific approach be made to the subject of the casualizing labor generally; that is—

Prof. HOLLANDER (interrupting). Undoubtedly.

Chairman WALSH (continuing). That is seasonal labor as it exists in this country to-day?

Prof. HOLLANDER. Undoubtedly.

Chairman WALSH. Has no one made the effort?

Prof. HOLLANDER. I do not know of anyone that has. I think it is under contemplation. We are groping toward it. It is being tried out by cities and States. It seems to me that the obvious approach would be through a national board, the idea of—

Chairman WALSH (interrupting). Of what character?

Prof. HOLLANDER. Through the establishment, as I believe is in contemplation, of a national employment bureau, commission, or board.

Chairman WALSH. Would that not necessarily involve cooperation on the part of those individuals who are engaged in these large operations where large numbers of casual laborers are employed, take the lumber, the ice, and the coal—not the coal business, perhaps?

Prof. HOLLANDER. It would. It might mean something more, perhaps, if the conditions in this country are as the most acute students of the problem of unemployment have analyzed them, namely, that unemployment is not due merely to seasonal or even to cyclical fluctuation, but to the vicious practices which enable industries to accumulate surplus funds of labor; that is to say, to have on hand enough men to meet the maximum requirements and not the average normal requirement. It is the story of the dock workers over again. It was a convenient thing to have hammering at the gates of the docks enough men to meet the extraordinary requirements.

Chairman WALSH. By what way is that influence exercised, or what control can the employer have over that, so far as the individuals in that industry are concerned?

Prof. HOLLANDER. By a definite coordination of the employing requirement, so that in the case of a given industry in a locality it would be known just what the normal labor requirement was. By such "dovetailing" the normal demand would constantly approach to the average demand. If I may revert to the dock illustration again, since all the boats might come in on the same day, it seemed desirable to keep enough laborers on hand to meet just such a contingency. It would have been far better to have adjusted the arrivals so that the men that were docking to-day on this ship could dock to-morrow on that, and not all dock on the same day and the next day the whole gang be idle. Now, some such coordination ought to be possible in regard to industries in general, and would be through the cooperation of the employers.

Chairman WALSH. Why does not a large concern like the packing establishment deal with the common laborers the way that it does, for instance, with its clerks, stenographers, and highly skilled laborers that are paid for a definite time, even though the work is not always so large at a particular time?

Prof. HOLLANDER. I am not sure I understand.

Chairman WALSH. Perhaps I have not made it clear. If it is a custom now, as you say, on the docks just to use these men, and we will take the dock illustration, just when a ship comes in, why could they not so manage their work that the laborer would be in exactly the same condition as the engineer, or perhaps the fireman, or the skilled clerk in the large establishment?

Prof. HOLLANDER. It is quite possible that such improvement might be affected or would develop out of it. Of course the obvious contrast is the distinction between time pay and piece pay.

Chairman WALSH. But let me make the suggestion as it comes to my mind as a witness, for instance, who describes much like the case of the fireman that does not go to a fire for two or three days, but sits around during all of that time and draws his salary all the time.

Prof. HOLLANDER. I think that the idea of decasualization would involve the replacement of the men with the occasional job by a condition of employment under which he would be permanently employed.

Chairman WALSH. If decasualization of employment does cause misery and suffering and general social ill, should that not, as a scientific matter, be taken into consideration in the organization of industry?

Prof. HOLLANDER. Undoubtedly. Of course, it means not only hurt to the workman but it means social injury through the reduction in productive power. If there are so many men casually engaged in a particular industry that they can only find part employment it would be vastly better if a small number were engaged in that and the surplus were absorbed in something else or distributed somewhere else.

Chairman WALSH. What has been the effect of the development of large corporations with the centralization of control in the hands of directors who are entirely separated from the industries in which they are interested, and

who may be entirely ignorant of the labor conditions in the industries in which they are interested, if you have an observation on that development?

Prof. HOLLANDER. Of course, that is a matter of fact as to which I have no information that would be of value to the commission.

Chairman WALSH. Has your attention, during your studies, been called to the fact, for instance, in the labor literature of the day—

Prof. HOLLANDER. Yes.

Chairman WALSH (continuing). As to whether or not such have existed?

Prof. HOLLANDER. Of course, it is as old as economic observation. Adam Smith, the father of political economy, wrote nearly 150 years ago, calling attention to that silent, tacit agreement among employers which brings them into the wage contract more or less concentrated as against the scattered and dissipated voices of the workmen. Now, to the extent that that tacit agreement is replaced by an outright consolidation into corporate form of the bargaining power, as it were, of the employer is that much enhanced. As against that it seems to me something is undoubtedly to be said as to the matter that has already engaged the attention of the commission, namely, where the corporation is one that is represented in ownership by a wide dissipation of its securities, and which occupies, in a high degree, the public attention. It is undoubtedly amenable in such cases to public opinion in a way that a smaller employer is not. Even the most glaring instances of the apparent violation of that tendency, I think, fall under the rule because the mere outcry with which the assertion of a contrary principle is received bears testimony, I think, to the fact that it runs counter to prevailing public opinion.

Chairman WALSH. I have been asked to submit some questions to you, and I will submit them in the form that I have been asked to: What are the qualifications and standards necessary for trade-unions to possess to make it a proper social institution?

Prof. HOLLANDER. I should say in general that their policy be not hostile to the general social interest; trade-unionists, like any other class of workmen, are entitled to pursue those courses which will benefit them without at the same time inflicting injury upon society.

Chairman WALSH. Do you consider the absolute control of industry by the closed shop desirable or a remedy?

Prof. HOLLANDER. No; I do not believe that. I do not believe trade-unionists believe that either. What they want is the maintenance of standard conditions, and if those conditions can be established they are more or less indifferent to the fact. There is a certain violation of the class esprit, I think, in the open shop; men benefiting by the gains of trade-unionism should feel enough loyalty to bear its burdens. The insistence of trade-unionism is, however, to establish standard conditions.

Chairman WALSH. Do you believe in what is called scientific shop management?

Prof. HOLLANDER. Well, I do not know whether I quite understand what it is myself. There is some danger of the term being used as a sort of charm to cover a number of different things. If it means devices whereby the total productivity of society, the efficiency, so-called, of the laborer can be enhanced without any detriment to him through speeding up, with the possibility of physical injury or as a prelude to reduction of his wage, why, of course, I believe in it. But if it is merely an entering wedge to effect something else, or as a pretext for effecting something else, no believer in social betterment can approve of it. My own feeling is that there is too much obscurity about it. There is a danger of the word itself casting a spell over the argument.

Commissioner LENNON. Professor, is it ordinarily the view of economists at the present time that wages should be fixed by what is termed the law of supply and demand exactly the same as inanimate objects of a barter and trade.

Prof. HOLLANDER. Not by any means if that involves a resultant wage less than enough to maintain decent existence.

Commissioner LENNON. Does this law—I hate to say law, but that is the way it is used—

Prof. HOLLANDER. There are good laws as well as bad ones.

Commissioner LENNON. Does this law of supply and demand govern in the world of industry and markets even as to the selling and buying price of commodities?

Prof. HOLLANDER. It may. But labor is not a commodity. No economist of position would maintain that.

Commissioner LENNON. Well, is the price of oil, for instance, fixed in the markets of the world because of the supply or lack of supply of oil—

Prof. HOLLANDER (interrupting). Demand and supply operate in the fixing of the price of commodities subject always to the cost of production. Now, if you mean that the cost of production of the laborer is that amount which will enable him to live decently, maintain his family decently, and rear his offspring decently, then I have no objection to saying that demand and supply fix wages.

Commissioner LENNON. Does your study indicate that the price of commodities is fixed by monopolization to some extent of the markets?

Prof. HOLLANDER. Of course, where the supply is not capable of increase to an indefinite amount at a uniform cost, where the supply is controlled to any extent, prices are not subject to the cost of production. We have, then, so-called monopoly prices.

Commissioner LENNON. What would you say as to the situation to-day with regard to the wheat market? Is the price of wheat governed by the fundamental ideas of the laws of supply and demand by the intervention of unnatural conditions through man's action—

Prof. HOLLANDER (interrupting). Through what?

Commissioner LENNON. Through governmental action?

Prof. HOLLANDER. Well, I wish I knew. There are, of course, extraordinary new facts entering into the situation. To what extent they are responsible is a matter that I wish I knew. Of course, we know what these facts are—curtailment of the supply and the extraordinary demand developed by the war. Whether these have jacked up the price to its particular level or whether there is any degree of monopoly of a kind as old as the forestalling and re-grading of the sixteenth century are questions of fact.

Commissioner LENNON. It is not easy, then, you think, to determine in that particular matter how far governmental action has interfered or how far the price is governed actually by the supply and demand?

Prof. HOLLANDER. No; I should say it is a question of fact. We know perfectly well that if peace were declared to-morrow, or if the United States should put an embargo on exports, the price of wheat would drop. On the other hand, we know that if Argentine crops would fail the price would go up. Or if a corner in Chicago was successful that it would go up still higher. In other words, we have the possibility of certain definite economic factors being supplemented by manipulative factors. Whether or not factors of that kind are present I should say is a question of fact.

Commissioner LENNON. Well, that would indicate that in our modern society the natural workings of this law are often set aside by artificial conditions.

Prof. HOLLANDER. Of course that is the characteristics of any scientific law. A law, as I understand it, in economics and in social relations just as in physics is the operation of certain tendencies. The tendencies may be modified or entirely counteracted by counter tendencies. The law still works, but the end effected is qualified by the presence of these other forces.

Commissioner LENNON. Professor, the law under which this commission has been created directs that we study the causes of unrest and the rights of the Government or society to intervene for the remedy of such wrongs as may be observed. What would you say to us as to the rights of society to handle this?

Prof. HOLLANDER. Well, I had hoped that that right had been so securely established that it was not necessary to appoint Government commissions any longer for the purpose. The time has passed, I believe—certainly among the mass of people—where there is any question that society exists for the purpose of achieving the maximum well-being for those who compose it. When any considerable part of it is in a condition capable of betterment society must, as soon as it discovers the reasonably right way of doing it, adopt measures correcting such defect.

Chairman WALSH. Mr. Ballard has a question or two to ask you.

Commissioner BALLARD. Prof. Hollander, you have spoken of the matter of insufficient wages to maintain a family?

Prof. HOLLANDER. Yes, sir.

Commissioner BALLARD. Do political economists at all take into consideration the fact that in every factory are large numbers of men employed at the same wages and that some families are able to accumulate and apparently live comfortably and get ahead, and other families do not, probably because the head of the family may be a drinking man, or indifferent, or quite incapable, or something of that kind?

Prof. HOLLANDER. Yes, sir. Of course, when one speaks in the general terms I have employed one is seeking to describe general tendencies and general conditions. There are cases where lack of thrift or individual misfortune are responsible. But when we find, as we do, that the family income of a large part of the wage earners of the United States are within certain definite limits, and when we know with equally accurate knowledge that the cost of maintaining an average family of five on a basis of physical well-being requires a certain amount, both of which conceptions are not merely made "in the office," but are generalizations based upon definite statistical inquiries, and when we find a marked discrepancy between those two amounts, then the conclusion seems warranted that, for a considerable part of the wage-earning class of the United States, representing roughly about a third, let us say—I have not the exact proportion—that the wage income is less than enough to maintain those, allowance being made for individual cases where lack of thrift or larger family or misfortune of illness or death are responsible.

Commissioner BALLARD. Well, if this standard living wage in America is well established, doesn't it offer very great inducements to the foreign immigrants who have been raised on a standard, perhaps, of a third or one-fourth, to come into our country in very great numbers, as they have within the last year or two, and so that they can not be cured for to bring them up to that standard and keep them from breaking down that standard continually?

Prof. HOLLANDER. That brings up an extremely difficult and involved question, and I shall try to keep clear of the discussion of the actual economic effects of immigration. But, assuming that it is as you have stated, that the United States were menaced with an influx of immigration, and that the effect of that immigration were such as to lower the standard—both of which I state merely as assumptions and not as facts—then it seems to me that it is beyond discussion; that it would be the economic policy and the social policy of the United States to limit such immigration. I ought to state that the attitude of those who oppose any restriction is based upon a denial of those two assumptions.

Commissioner BALLARD. Well, speaking as you did a while ago as to the question of hours, limiting them, for instance, to 8 hours, or some other number of hours, might not some persons prefer to work 10 hours or even 12 hours for short periods or a number of days and then have a complete rest for some number of days, and should not they be allowed to do it? Take, for instance, in agricultural work. We know that in agriculture the hours in the summer time are very long and in the wintertime comparatively short and a time of leisure, and then again as in shipping and railroading and seasonal occupations?

Prof. HOLLANDER. Well, I think that illustrates the unwisdom of making legislation general. Of course, some legislation, some regulative measures, some police measures, must apply to all members of society; but in so far as the end in view can be accomplished by specific regard for particular necessities that is desirable. In the matter of minimum-wage legislation no economists, I think, would favor the fixture of a rate applicable to all as a minimum wage. Such legislation as obtains anything—in England, for example—involves the idea of administration of conditions in the specific industries and specific processes.

Now, so in regard to the legislation affecting hours. It would be obviously desirable to meet the particular requirements of particular industries provided that the result in those industries is not in violation of the general object attained. In so far as that might accomplish individual hardship, I am afraid that is a condition inseparable from any large police regulation.

Commissioner BALLARD. You spoke of division of occupation as between the wage class and salaried class—you might separate them that way, for instance—the labor unions have so highly specialized some of their trades, particularly, perhaps, the building trade, that it is almost impossible to give men in that trade continuous occupation. It can not be done. In very small towns, and particularly in the South, in olden times if two or three men started to build a house they built the entire house. They would do the carpenter work and the brickwork and probably put the roof on and do the painting. But where it is so highly specialized as it is now under labor-union domination of the building trades the carpenters might have to wait for a week until the roofers put the roof on, and the tanners might have to wait until the painters came, and a great deal of time is lost in that way. Have you thought of any method of regulating that?

Prof. HOLLANDER. That, of course, represents the grave difficulties in dovetailing employments. Some employments do not dovetail. In so far as they are seasonal—that is, the work exists only at certain times—I should say the rate of compensation must be such as to cover a maintenance income for the year or must permit an alternative occupation. But the particular evils growing out of casual employments for which decasualization is proposed as a remedy are somewhat different from that. They grow out of the fact that the occupation exists, but that there are too many claimants for it.

Commissioner BALLARD. That is all, Mr. Chairman.

Chairman WALSH. At this point we will stand adjourned until this afternoon at 2 o'clock. I wish to announce that the meeting of the commission this afternoon will be in the aldermanic chamber immediately across the hall at 2 o'clock sharp. In the aldermanic chamber. You will please be here at that time, Professor.

Prof. HOLLANDER. You want me back?

Chairman WALSH. Yes.

(Thereupon at 12.30 a recess was taken until 2 o'clock p. m. of this Wednesday, January 20, 1915.)

AFTER RECESS—2 P. M.

Present as before.

Chairman WALSH. The commission will please come to order.

Dr. Hollander, will you please take the stand.

#### TESTIMONY OF PROF. JACOB H. HOLLANDER—Continued.

Chairman WALSH. Before we proceed, I have been requested to make an announcement to the ladies and gentlemen present. It is this: That the board of aldermen have given the commission the use of this room, but asked us to request that there shall be no smoking, and secondly, that the ladies and gentlemen present should be very careful not to disturb any documents or papers that lie on the desk. I am sure you will all help us to carry out our agreement with the board of aldermen. Thank you if you do.

Commissioner GARRETSON has a question or two.

Commissioner GARRETSON. Doctor, you were speaking of minimum-wage legislation. Have you any knowledge of any case where legislation, aside from minimum-wage legislation, was ever enacted unless supply and demand had gone against the laborer—the law of supply and demand—as, for instance, the English wage legislation following Edward III, where the supply of labor largely decreased?

Prof. HOLLANDER. Well, Mr. Commissioner, I feel as though you had asked me whether I had beaten my mother-in-law yesterday. I hesitate, not because of any doubt, but because I am not quite sure I understand you.

Commissioner GARRETSON. Do you know of any instance where there has been legislation fixing wages except where the legitimate law of supply and demand, as it is recognized, would have enabled the laborer through the scarcity of men, to largely increase the price for his labor?

Prof. HOLLANDER. As a matter of fact, there has been very little legislation, if any, affecting the rate of wages.

Commissioner GARRETSON. Minimum-wage legislation at the present time, which is the social interest.

Prof. HOLLANDER. Of course, for a long while the rate of agricultural labor, for example, was fixed in the English rural district by the county justices. I suppose the motive there was to secure cheap labor for the country squire.

Commissioner GARRETSON. It was all as against the laborer?

Prof. HOLLANDER. It at any rate was not in the interest of society.

Commissioner GARRETSON. It had no social reason underlying, but purely one of gain?

Prof. HOLLANDER. I suspect eighteenth-century legislation was not animated much by social consideration.

Commissioner GARRETSON. Do you believe, as an economist, that the increasing of wages, if made universal, works any amelioration whatever of the condition of the worker because of the consequent rise of the prices, if they bear the same relation to each other before and after the increase?

Prof. HOLLANDER. The statement is commonly made that after all it would do no good if wages were universally increased, because labor then would be obliged to pay that much more for the product he consumes. It would be a sort of attempt to lift one's self by one's boot straps. There are several considerations



that figure here. In the first place, it is not clear by any means that industrial profits are not excessive. To the degree that they are an increase in wages would be at the expense of excessive profits. In the second place, it is very probable that increased wages would result in increased productivity, on the theory that to the degree that underpaid and therefore undervitalized work people receive larger earnings, their industrial efficiency would be enhanced. Finally, the assumption of a universal and a simultaneous rise in wages is fantastic. That is not the way industrial betterment moves. It takes place from one occupation to another and does not, as the question assumes, increase the cost to the laborer as a consumer in the same proportion as his income rises as a producer. I should sum up by saying that, as stated in the bald way in which it is stated, namely, an increase of wages would not benefit the laborer, because it would add to his consumption outlays in the same measure that it adds to his income—that doctrine is not accepted by economists at this day.

Commissioner GARRETSON. The fact that it can not be made universal is the agency that works the most completely to make an increase in wages a palliative, is it not?

Prof. HOLLANDER. I am not sure that I got that.

Commissioner GARRETSON. The fact that it can not be made universal—that is, the increase be made simultaneous, as you term it—

Prof. HOLLANDER. Yes.

Commissioner GARRETSON (continuing). Is the very reason that the efforts of a certain class to better its wage acts as a benefit to them if too many are not benefited thereby?

Prof. HOLLANDER. I presume you wish to know the attitude of economists. Economists are not, as they are sometimes supposed to be, dreamers. They are concerned with the real as a natural problem. Now, that problem is how can an industrial class benefit itself and improve its economic condition? It is not achieved by a waive of the wand whereby all will wake up the next morning with larger pay envelopes. It comes by a struggle extending from one trade to another—from one class to another. And I should not think that this gradual process ought to be arrested or is likely to be arrested. Accordingly, I do not consider that after all when the worker has his greater income it will dissolve in consequence of the fact that his cost of living will have increased correspondingly.

Commissioner GARRETSON. The real measure of a wage is its purchasing power, is it not?

Prof. HOLLANDER. Yes.

Commissioner GARRETSON. You spoke of one or two phases of legislation that you considered legitimate. Would, in your opinion, the measure of difference between the cost of production and selling price be as legitimate a field for legislative control as the wage of men?

Prof. HOLLANDER. Both would be subject to the same criterion, which is social expediency, the effect on society in general. If the encroachment on profit should be to such a degree as to impair the further accumulation, or even the maintenance of productive capital, or discourage motives of thrift, obviously it would react to the detriment of society. It is not necessary to institute comparisons, but it would react to the detriment of society, just as the underpayment of the working force would do. But who will say what amount is the necessary reward of capital?

Commissioner GARRETSON. It would be just as legitimate for a legislative tribunal to fix that measure as it would to fix the measure as to what would be the compensation for a man?

Prof. HOLLANDER. Legitimate, if you construe legitimate in terms of social expediency, yes. The test of that is the interest of society, always checked by having the burden of proof put on any radical change.

Commissioner GARRETSON. Does the economist hold that, as a moral question, or as an economic question, there is any difference between the complaint made against labor unions or members of them in regard to the limitation of output of the individual, and the limitation of the manufacturer by the shutting down of his mill? Are they equally economically wrong, or is there a difference between the two in result?

Prof. HOLLANDER. Political economists, I should say, always with the reservation that I am only one of them, would dissent from any restriction of output that was dictated by selfish or sectional class interest of a part of the trade-union world and not by its legitimate and wholesome desire to prevent a speed-

ing up of the worker, threatening physical injury to the worker. In so far as the restriction of output is designed merely to make work, it is, I think, regarded as antisocial.

Commissioner GARRETSON. In regard to the incident that was testified to yesterday, where apples were thrown into the river to keep up the price of apples as a form of restriction of production for the purpose of maintaining the price, is that more moral than the other or more social—antisocial?

Prof. HOLLANDER. It is like the Dutch burning ships in the harbor of Rotterdam to keep up the price of spice, and on the same level with burning the pig sty to supply roast pork.

Chairman WALSH. Commissioner Weinstock would like to ask you a question.

Commissioner WEINSTOCK. I gathered from what you said, Professor, that you did not know of any one way to minimize industrial unrest—that there are manifold ways—many things must be done. I think you stated workmen's compensation, minimum wage, insurance against sickness, old-age insurance, etc. Are there any other things that might be done and should be done to minimize industrial unrest?

Prof. HOLLANDER. I should say that we must feel our way as we go. Wherein economic science of to-day differs from social philosophy of earlier periods is in perhaps that we have relinquished the idea of an economic panacea or cure-all and have come to realize the complexity of the problem and the inevitable necessity of using various devices, all of which are a part of one general scheme, or which, at any rate, are organically related. There is no disposition to abandon the present industrial system and to try something new until we have exhausted by successive phases of social intervention all possible correctives. If, after that has been done, we find the situation not much improved, then, perhaps, we will resort to that remedy which John Stuart Mill proposed when, after discussing all the possible dangers of socialism, he said that if all the ills of the existing social order were incapable of improvement, then he, for one, was ready to chance socialism with all its dangers. Intervention—social regulation—taken step by step, rather than any outright panacea, is the philosophy of the day.

Commissioner WEINSTOCK. So, summing up in the fewest possible words, that would be your statement?

Prof. HOLLANDER. I will state it in just a sentence, although a pretty long sentence, I am afraid—social unrest grows out of the existence of the large class of society with insufficient income. That proceeds from the fact that in the adjustment of wages the workingman is ordinarily in a state of competitive inequality. To correct that, collective action in the form of trade-unionism is necessary. To the degree that trade-unionism is not possible, positive State action in the form of measures directed against underpayment, unemployment, and unemployableness are the remedies to be devised. Then, so much tried and accomplished, we shall know what next step to take.

Commissioner WEINSTOCK. What remedies, if any, professor, would you have to suggest as to the matter of strikes and lockouts? How would you minimize those?

Prof. HOLLANDER. The parallel here, it seems to me, is between industrial warfare and political or international warfare. We might as well recognize the important fact that although the interests of—of employer and employee are harmonious in the sense that their conjoined action results in a larger or smaller product, there is a sharp, inevitable issue in the apportionment of the product. The loaf may be made bigger or smaller, but it has to be divided. Now, until some rules of apportionment are recognized, that division will be accompanied by all the brutality and waste of warfare, strikes and lockouts, representing the incidents of that industrial warfare.

Commissioner WEINSTOCK. How would you minimize that, Professor?

Prof. HOLLANDER. As long as the bargaining equality of the two parties is on a plane—rules of the game become recognized. I draw a certain analogy here between industrial partition and litigation. Matters at issue are taken to the courts. The adjudication inevitably works benefit to the one and hardship to the other, in the sense that the other would be better off if the verdict were more favorable. Acquiescence in the verdict is possible because society recognizes that principles of law prevail in adjudication which the experience of society has demonstrated redound in the long run to the advantage of society. Now, when society will have recognized similarly the principle which fixes wages and have recognized it in the form of arbitral determination of wage disputes, then wages in actual adjustment will tend to approximate thereto.

At present we have cases where arbitral disputes are referred to tribunals, but what is the principle of adjustment? It is either splitting the difference or some such evasion as standardization. You will remember that in 1912 in the arbitration case of the locomotive engineers the chagrin of the arbitral board that it was not able to find any principle of wages, and that standardization seemed the only practical solution.

Commissioner WEINSTOCK. Well, now, assuming that when the age of equity has arrived the strike and the lockouts may be a thing of the past, but taking conditions as we find them to-day, with all their inequities existing, how would you minimize the strike and the lockouts?

Prof. HOLLANDER. It seems to me the initiative there must be taken by arbitral boards, in the determination by the board, of the matter in dispute, in accordance with some principle and not in accordance with an empirical splitting of difference; the settlement must be in accordance with some principle.

Commissioner WEINSTOCK. Do you believe arbitration is the missing link?

Prof. HOLLANDER. I think the theory of wages is—

Commissioner WEINSTOCK. What is the academic attitude toward the question of diminishing output on the part of the workers?

(At this point there was a short pause taken on account of the noise occasioned by a parade passing.)

Chairman WALSH. You may proceed.

Commissioner WEINSTOCK. You know there is a sentiment—I do not know whether it is a growing sentiment—but there is a sentiment more especially among the socialistic branch of labor which makes for diminishing output, on the theory that the diminishing output creates more labor for more hands.

Prof. HOLLANDER. Yes; I understand. That I mentioned in answer to Mr. Garretson as the make-work theory.

Commissioner WEINSTOCK. Yes.

Prof. HOLLANDER. That is the theory that by the workmen doing less there will be more to go around. That is socially unsound.

Commissioner WEINSTOCK. Give your reasons why it is unsound.

Prof. HOLLANDER. In so far as the amount produced is less than could be produced by a given group of men working, not under speeding pressure, the product available for society is made that much less. It is socially unsound, even though it redounds to the particular advantage of that particular union. That points, of course, to the fact of the complexity of the problem. Unions of organized workmen are not going to be animated and controlled by the long run when it is the short run that counts.

Commissioner WEINSTOCK. You think, then, that the man, especially the laboring man, who preaches diminished output is preaching a false doctrine?

Prof. HOLLANDER. In so far as the trade-unionist is preaching this is voicing a social policy which is unsound. One of the numerous instances, of course, in which the personal interest and social expediency are not consistent.

Commissioner WEINSTOCK. You mean that that would be an instance of conflict between the best interest of society and the seeming best interest of that particular class?

Prof. HOLLANDER. Yes; growing out of the imperfect distribution of productive force. It means that there is a relative excess of workers in that particular field, and that the workman carries the odium that is thrust upon him in consequence of the employer being allowed to accumulate a surplus of labor. If the employing class had not attracted into the trade an excessive number of workmen which would make it convenient for him in his flush times, there would not be this necessity.

Commissioner WEINSTOCK. Well, then, are we to understand that if a brick mason, for example, who can lay without physical disadvantage 3,000 brick a day slows up and lays only 2,000 brick a day, that while he has gained some advantage, he has made work enough for at least a half time for another man, and while to that degree he has helped a fellow craftsman, society has been the loser?

Prof. HOLLANDER. Stated in terms as general as that, I should say without the slightest question, yes. But that is not the way in which the economist would state the matter. He would say that the fact that the workman was able to place 3,000 brick without physical injury, but only wants or makes it his union policy to place 2,000, is not because he is a lazy slouch, for he is perfectly willing to do what he is able to do, but because there have been attracted into the bricklaying industry such a number of bricklayers as can not under existing conditions of employment find work, and he deems it, there-

fore, necessary to divide up the work with them, just as at the present time in most industries where business is slack you will find often workers perfectly willing to work on half or fractional time rather than to see an outright discharge of some of their fellow workmen. So that the economist says since society has tolerated these conditions, whether through unrestricted immigration or whether through countenancing this accumulation of labor as an employer's policy, since it has countenanced this drifting into bricklaying of a surplus body who can not be employed working at their maximum efficiency, it must seek to extricate itself from that without any brutal transition. It must without modifying its judgment that restriction of output is a socially unsound policy seek to effect a transition which will redeem the situation without maximum hardship.

Commissioner WEINSTOCK. I must not have made my meaning clear, Professor, from your answer. That is the point I want to make:

If I am a pieceworker, get so much a thousand for laying brick, and I have the capacity of 3,000 brick a day, but I limit it to 2,000 a day in order to afford some employment to you, for example—

Prof. HOLLANDER. Yes.

Commissioner WEINSTOCK. Society loses nothing, because 3,000 brick will be laid and 3,000 brick will be paid for, but I am the loser; I made a sacrifice, a voluntary sacrifice, to aid you. But if I am getting a flat wage, and the normal day's work will be 3,000 brick, and I lay only 2,000, first to ease my own job, and second to afford you an opportunity of getting a job, then there is a loss, because in that event society pays for laying 3,000 bricks and only gets 2,000 laid.

Prof. HOLLANDER. Yes; but society has lost in the first case, also, has it not, because I am laying brick that you ought to have laid; that you could have laid. What was the need of employing me to lay that extra thousand of brick? Society has lost that. I might be out sawing wood.

Commissioner WEINSTOCK. But has not society paid a double price?

Prof. HOLLANDER. It has lost that much sawed wood.

Commissioner WEINSTOCK. But in the other case it loses in productive energy as well as in price, because there is an additional cost paid out; that is, I do two thousand when I get paid for three, and you get paid for that extra thousand besides. There is a double cost, a double burden.

Prof. HOLLANDER. I could not quite admit that, because all that society is concerned with is the output of productive energy. If the efficiency is 3,000 brick and you lay 2,000, society has lost the equivalent of 1,000.

Commissioner WEINSTOCK. Yes; but is not society very materially concerned in the cost of that production? Isn't it in the cost that society is interested that the cost shall be reduced to the smallest, the smallest amount?

Prof. HOLLANDER. Certainly; provided that cheapened cost is not at the expense—

Commissioner WEINSTOCK (interrupting). Of the workers?

Prof. HOLLANDER. Of the worker, exactly. It is the old confusion between wealth and wealth, and the object of society is maximum wealth and not maximum wealth. It is going back to the philosophy of Carlisle to say that political economy is a study of wealth. It is nothing of the kind. It is philosophy of wealth, of well-being, not of things.

Commissioner WEINSTOCK. And so—

Prof. HOLLANDER (interrupting). So society does not deserve that its energies be augmented if it be at the expense of its well-being. Goods are only means to the end. As a German economist said, man is the beginning and the end of economic endeavor.

Commissioner WEINSTOCK. I take it, then, that your conclusion substantially is this: That society is interested on the one hand in the fact that I, as a worker, for example, shall earn a decent living wage, and, secondly, it is interested in the fact that, consistent with my earning a decent living wage, society shall get its needs furnished at the lowest possible cost; is not that true?

Prof. HOLLANDER. Yes.

Commissioner WEINSTOCK. Those are the two essentials?

Prof. HOLLANDER. Yes; if you assume, of course, that this not only means amount, but working conditions.

Commissioner WEINSTOCK. Those are the two objectives?

Prof. HOLLANDER. Yes.

Commissioner WEINSTOCK. Well, then, if, without reducing the cost, I reduce my output, is not society injured?

Prof. HOLLANDER. If you reduce output and in the process of reduction have saved a degree of suffering which otherwise would have occurred, society is not injured. There is no question as to the social disadvantage of a deliberate restriction of output considered as an absolute proposition. What I do say is this: That restriction is too often dismissed as the ultimate word on the subject and that we loose sight of the fact that trades-unions are not soldiering in the matter, but that they are animated by a very high degree of fraternity; that they are often willing to adopt the same principle in piecework instead of time-work, and that the endeavor of society should be to bring back industry from that unwholesome mess into which it has slumped by correcting this disproportionate allotment of workers to particular fields in excess of the requirements in those fields. We must, without deviating one iota from the proposition which you have stated, that it is socially unsound that workmen should do less than they properly could—we must seek to bring about conditions where they will do what they can without involving displacement and unemployment on the part of their fellow workmen. Of course, there may be cases here and there to the contrary, but I do not believe that this policy of the stint, so-called, of the make-work, is animated by anything more than that intense unwillingness of a workman to see his fellow without even a half loaf.

Chairman WALSH. That is all; thank you, Professor.

Mr. Belmont.

#### TESTIMONY OF MR. AUGUST BELMONT.

Chairman WALSH. Where do you reside?

Mr. BELMONT. New York.

Chairman WALSH. What is your business?

Mr. BELMONT. Banker.

Chairman WALSH. With what company—with what banking concerns are you connected?

Mr. BELMONT. August Belmont & Co.

Chairman WALSH. In what corporations are you a director?

Mr. BELMONT. In the Louisville & Nashville Railroad, the Interborough Rapid Transit Co., and in several banks—the National Park Bank and the Phoenix-Chatham Bank.

Chairman WALSH. Are you a director in the Interborough-Metropolitan Co. also?

Mr. BELMONT. Also.

Chairman WALSH. The Long Island Electric Railroad?

Mr. BELMONT. Yes.

Chairman WALSH. The Long Island Railroad Co.?

Mr. BELMONT. Yes.

Chairman WALSH. The New York-Long Island Dry Dock Co.?

Mr. BELMONT. Yes.

Chairman WALSH. The New York & Queens County Railway Co.?

Mr. BELMONT. Yes.

Chairman WALSH. The New York City Railways Co.?

Mr. BELMONT. Yes.

Chairman WALSH. The Rapid Transit Subway Construction Co.?

Mr. BELMONT. Yes.

Chairman WALSH. The Cape Cod Construction Co.?

Mr. BELMONT. Yes.

Chairman WALSH. What is the Cape Cod Construction Co.?

Mr. BELMONT. It is the company that has the contract with the canal company—the Cape Cod Canal Co.—for the construction of the canal.

Chairman WALSH. Approximately how many employees has that company?

Mr. BELMONT. Oh, at present I could not tell you, but not over 30.

Chairman WALSH. The Rapid Transit Subway Construction Co., is that engaged in active operations at the present time?

Mr. BELMONT. Yes. It has some contracts for construction of new subways.

Chairman WALSH. Approximately how many employees has that, Mr. Belmont?

Mr. BELMONT. Roughly speaking, about a thousand.

Chairman WALSH. In what other corporations do you own or control any considerable amount of stock aside from being a director?

Mr. BELMONT. Oh, I don't know; I can not give you any list of them. I have various railroad stocks.

Chairman WALSH. You own other properties in the nature of shares of stock in corporations other than those which I have read to you?

Mr. BELMONT. Yes.

Chairman WALSH. Could you state in what large industrial enterprises you own any considerable number of shares?

Mr. BELMONT. In none, practically.

Chairman WALSH. In none. Are you interested in mines in the way of holding shares of stock?

Mr. BELMONT. Very little; negligibly so.

Chairman WALSH. That applies to both metalliferous and bituminous mines?

Mr. BELMONT. Yes, sir.

Chairman WALSH. In any particular branch of manufacture are you interested as stockholder to any considerable extent?

Mr. BELMONT. No.

Chairman WALSH. You would say, then, that your business activities and stock ownership is largely included in those which we have already mentioned?

Mr. BELMONT. Yes—in transportation.

Chairman WALSH. Now, what connection have you with the Cape Cod Construction Co.?

Mr. BELMONT. I am its president.

Chairman WALSH. The Interborough-Metropolitan Co.?

Mr. BELMONT. I am chairman of the board of directors.

Chairman WALSH. And the Interborough Rapid Transit Co.?

Mr. BELMONT. Also.

Chairman WALSH. Chairman of the board of directors?

Mr. BELMONT. Yes, sir.

Chairman WALSH. And the Long Island Electric Railroad Co.?

Mr. BELMONT. Director.

Chairman WALSH. And the Long Island Railroad Co.?

Mr. BELMONT. Director.

Chairman WALSH. And the Louisville & Nashville Railroad Co.?

Mr. BELMONT. Director.

Chairman WALSH. Do you hold any position—I mean executive position, such as president or vice president—in any of the other companies I have mentioned or that you have mentioned?

Mr. BELMONT. No.

Chairman WALSH. Rapid Transit Subway Construction Co.?

Mr. BELMONT. I am chairman of the board of directors.

Chairman WALSH. And what is the Wright Co; you say you are no longer connected with that?

Mr. BELMONT. It was for the construction of aeroplanes—the Wright aeroplane.

Chairman WALSH. What information do you, as a director, possess concerning the labor conditions in the corporations in which you are interested, Mr. Belmont? It may be I had better ask you more specifically.

Mr. BELMONT. Yes.

Chairman WALSH. Unless you care to make a statement.

Mr. BELMONT. I can make this statement, that for some years past I have not taken any very specific and active interest, although I did at the time I was executive officer of the Interborough. I was president of it.

Chairman WALSH. Do you receive reports from any of the corporations which give you information concerning labor conditions—written reports?

Mr. BELMONT. No; I know of no reports that relate specifically to that particular feature of the management.

Chairman WALSH. As a director or executive officer in any of the corporations I have mentioned—I do not want to go into them specifically—

Mr. BELMONT (interrupting). Well, to say no would be to admit ignorance on the subject. That is not the fact. A director rarely has to do with labor matters in a corporation unless by chance they are brought to his attention for the purpose of a decision as to the merits of something that may bring about a strike or something as serious as that. The reason is that the executive management has built up from time to time, if it is a unionized company, or founded a certain method of dealing with its labor, which has become an entirety and is generally understood; such minor changes as may occur are understood as being part of the routine of management and are not brought to the attention of the directors any more than matters of transportation. They do not direct in the smaller questions of transportation.

Chairman WALSH. Is there any plan or scheme in any of the corporations of which you are a director or executive officer by which the plants and lines of the corporations are inspected and personal inquiries and observations made regarding the labor conditions in them?

Mr. BELMONT. I know of no specific officer, but presume the management has them. I could not answer that question, either yes or no.

Chairman WALSH. In your opinion, to what extent are the directors of corporations responsible for the labor conditions existing therein?

Mr. BELMONT. That question is altogether too large to answer. I can not answer for directors in general.

Chairman WALSH. Well, what responsibility do you feel for them, Mr. Belmont, in the corporations in which you are interested?

Mr. BELMONT. I feel that the responsibility is imposed upon me to know in general the conditions that exist and to satisfy myself that these conditions are in the main in accordance with my opinions and feelings about the subject.

Chairman WALSH. Before the condition gets to a point, or the dissatisfaction, we might say, gets to a point that results in a strike or a lockout, is there some system, some definite system, by which ascertainment is made of those conditions from time to time, so that the directors themselves and the executive officers may have a voice, if necessary, in averting trouble?

Mr. BELMONT. Do you ask this as to corporations in general?

Chairman WALSH. As to the corporations in which you are interested; you may reply to that.

Mr. BELMONT. Oh, in corporations in which I am interested. It is the duty of the executive officers of the corporations in which I am interested to report to the board anything that is of serious moment in the corporation; and in the event of a possible strike, so far as I have recalled—because nothing of that kind has occurred recently—the conditions, the possibilities, and the questions at issue would be brought to the attention of the board. But, as a rule, the executive officers who are held responsible for the good conduct of the affairs of the company are followed in their recommendations and in what they find it expedient and proper to do.

Chairman WALSH. In the case, particularly, of the Interborough Rapid Transit Co., what is the method used to ascertain accurately whether or not employees are satisfied with their conditions?

Mr. BELMONT. The general manager has a standing rule and custom—that is, as I have it from his own lips—that every employee has the right to come to him personally or to any of the representatives of the corporation who happen to preside over his special department and lay any complaint before him which he may have to make on any subject as to his hours or wages. Each individual, without reference to what his position may be, has access either to him, the general manager, or to his subordinates. If not satisfied with his subordinates, then to him individually.

Chairman WALSH. Has any group of employees the same privilege—that is, of selecting their own spokesman or representative and making complaint as a group?

Mr. BELMONT. Not in the Interborough, as I understand; no.

Chairman WALSH. What are the working hours of the following classes of employees: First, motormen?

Mr. BELMONT. I can not give you that.

Chairman WALSH. Conductors?

Mr. BELMONT. I can not give you those from memory.

Chairman WALSH. Guards?

Mr. BELMONT. I could not tell you.

Chairman WALSH. Is it a fact that the motormen, conductors, and guards have a regular working day of 10 hours and ticket sellers, gatemen, and porters have 12 hours?

Mr. BELMONT. I could not give you those from memory. I should have to obtain those from the office. I could not state except approximately, and I would not want to do that.

Chairman WALSH. What increases of wages have been made during the past 10 years on the Interborough?

Mr. BELMONT. I could not give you any such details without preparation.

Chairman WALSH. From whom could those be obtained, Mr. Belmont, best?

Mr. BELMONT. They could be obtained from the president.

Chairman WALSH. What is the attitude of the Interborough Co. toward welfare work, and what systems, if any, of welfare work have been established on the road?

Mr. BELMONT. In that I could not give you much detail excepting that there have been, I think, four—there are four clubrooms furnished with periodicals, and so forth. They were originally a personal gift of mine, which the corporation supplemented with what was necessary to make them properly available. Those are accessible to the men. And then, in addition to that, there is a regular system of furnishing supplies by the corporation—I could not give you the details of that organization, but they are very easily obtainable. The corporation purchases supplies and distributes them at cost—or rather sells them at cost to its employees. These are two of the features of what is done. Whatever the company can do for the individual men and their comfort it does, as each suggestion comes along—whatever presents itself. The men have those two facilities for comfort and for saving, through which they save as much out of their wages as possible. There are other features of personal comfort and entertainment while the men are not at work.

Chairman WALSH. Where are these four clubrooms located?

Mr. BELMONT. Along the line.

Chairman WALSH. Could you state the points?

Mr. BELMONT. No. I can not state the streets where they are.

Chairman WALSH. Was the fee simple title of the property given to the men?

Mr. BELMONT. Oh, no; there is nothing of that kind.

Chairman WALSH. The buildings are furnished?

Mr. BELMONT. Everything belongs to the corporation.

Chairman WALSH. The real estate and the equipment?

Mr. BELMONT. Yes; everything. There exists no direct gift of that kind.

Chairman WALSH. Does the company have what is called a benefit association?

Mr. BELMONT. It has.

Chairman WALSH. Is it operated by the company, or by a separate corporation?

Mr. BELMONT. I believe the men are represented in the management of a separate corporation, but it was incorporated and organized practically by the company.

Chairman WALSH. Is the membership of the employees compulsory in the benefit association?

Mr. BELMONT. No; it is not.

Chairman WALSH. Is it operated by a board of directors or board of managers?

Mr. BELMONT. I can not give you the details of the operation, but the mere existence of it. I can ascertain for you exactly about that.

Chairman WALSH. Do you know generally whether or not the men—the employees—have any voice in the management of the benefit association?

Mr. BELMONT. I believe they have.

Chairman WALSH. They have some representation upon the board of management?

Mr. BELMONT. Yes; so I understand.

Chairman WALSH. Do you know what the benefits are of the association?

Mr. BELMONT. No; I do not.

Chairman WALSH. What is payable in case of death?

Mr. BELMONT. No; I do not know the details.

Chairman WALSH. Does it cover sickness, do you know?

Mr. BELMONT. No.

Chairman WALSH. It does not cover sickness?

Mr. BELMONT. Oh—I say, I don't know.

Chairman WALSH. Do you know whether or not policies are issued in it?

Mr. BELMONT. I can not tell you exactly how it is developed. I have not given it attention for some time.

Chairman WALSH. Or whether or not if an employee resigns or is discharged his policy has any surrender value?

Mr. BELMONT. Well, I think not. I think not, as I recall it. I do not know whether it has been amended in that respect or not.

Chairman WALSH. In the case of the Interborough Rapid Transit Co., what is the policy of the company as regards the right of employees to join labor unions or the recognition of labor unions among your employees?

Mr. BELMONT. I can not answer that, put in that way. I should have to give you the history which led to it, because it was developed during my direct connection with the executive management of the property.

Chairman WALSH. Well, I wish you would, please.



Mr. BELMONT. I could not relate the history for the reason that it would take too much time; but at the time of the strike I was president of the organization and thoroughly familiar with what took place at that time. The policy of the company at that time was to recognize its labor as unionized, and I believed, and so did my associates, in having what is called a trade agreement with the men. We had regular agreements, and I still believe in that method, where it is practicable. But the outcome was this: We had two separate corporations, the elevated system and the subway, and the agreements with these two separate sets of men were not exactly the same. We made the agreements with each of them, but they made in addition to this a secret agreement between themselves which provided that, in the event of any trouble with the corporation, the one organization would support the other. That, in itself, constituted a violation of their respective agreements. They were told that the questions at issue, which involved matters of hours of labor, as well as questions down the whole line of their relations with the corporation—they were told that none of these questions which we usually were in the habit of discussing and would otherwise then have discussed with them could be taken up until they had canceled their secret agreement; and when they had done that then the corporation would take up the alleged differences with them. This they refused to do. The national organization of which they were members decided that our position in this respect was perfectly correct; that the men had constructively broken their agreements with us, and until they restored the conditions preceding the signing of their joint agreement our attitude would be sustained. But they were unwilling to follow, as they should have under the rules of their organization, the dictates of their national board.

Chairman WALSH. What was the name of their national organization, please?

Mr. BELMONT. Let us see; street railway employees, I think it is.

Chairman WALSH. Amalgamated Association—

Mr. BELMONT (interrupting). Yes; the Amalgamated Association.

Chairman WALSH. Amalgamated Association of Street Railway Employees?

Mr. BELMONT. Yes. They refused to obey and were in consequence, I believe, either expelled, or at all events they lost their membership in the national organization. The management after that felt that inasmuch as it was obliged to give continuous and uninterrupted service under its contract with the city, it could not recognize a union of its men until some method could be found to enforce, or, at all events, as long as there was no method by which agreements could be enforced—and they could not at that time be. Inasmuch as we employed some 20,000 men, the number was so great that they could afford to disregard anybody's dictation whose views happened to be in conflict with their own interests. We felt that it was better and was indispensable for the proper conduct of transportation here not to have unionized labor, which might at any time bring the transportation of the city to a standstill to the discomfort and loss of the public.

Chairman WALSH. Now, are the policies of the company toward labor organizations and unionization matters of discussion in the meetings of your board of directors?

Mr. BELMONT. I do not recall any for a long time, because the board has felt the management's method to be acceptable, and a condition existed where no change seemed either desired or expected, principally, I imagine, because it was and is not expected. So that only questions of welfare have arisen; for example, like the one which Mr. Shonts inaugurated of purchasing supplies and selling them at cost. This was willingly authorized by the board of directors when brought to their attention, I think, two years ago—not long ago.

Chairman WALSH. Is it true that in the spring of 1912 several hundred employees, chiefly motormen, were discharged by the company?

Mr. BELMONT. I could not tell you.

Chairman WALSH. Is it true that in 1912 the Brotherhood of Locomotive Engineers made an attempt to organize the men on the Interborough?

Mr. BELMONT. Yes. I did not know very much about it, but I understood—

Chairman WALSH (interrupting). Is it true that this attempt on the part of the Brotherhood of Locomotive Engineers to organize the men caused the discharge of several hundred employees at or about the same time?

Mr. BELMONT. I can not tell you.

Chairman WALSH. You have no personal information—

Mr. BELMONT (interrupting). I have no personal information as to that, but this was the principle underlying the subject: At the time that the subway was put in operation the elevated was still being operated by steam, and the engi-

neers who operated those engines became, in as far as they could be trained—those that desired to, became motormen. We have never admitted that because of that the Brotherhood of Engineers had any real claim upon the men as an organization, although they might have continued their membership for all we knew or cared, for that matter; but that was in our opinion a totally different branch of labor, and naturally such an attitude was both undesirable and unjustifiable in our estimation.

Chairman WALSH. What information do the officers of your companies receive in regard to the activity of employees in the organization or attempted organization?

Mr. BELMONT. Oh, I can not tell you as to that. Those are matters entirely known to the general manager, and unless, as I say, something vital occurred—and nothing recently of that sort that I can recall has occurred nor been brought to the attention of the board for some time. It can not, anyway, have been on a large scale, because otherwise it would have been.

Chairman WALSH. Does the company maintain a special department whose duty it is to collect information with reference to the activities of employees along the line of bettering their condition, or anything of that sort?

Mr. BELMONT. I don't know as to that. I presume they have. I know they have employees—employ men who keep the management informed as to all conditions of any kind on the line. I don't know whether that information is part of their duty.

Chairman WALSH. Does any arrangement exist between the Interborough and any detective agency to secure such information?

Mr. BELMONT. I don't know.

Chairman WALSH. Does the Interborough Rapid Transit Co. interchange information with reference to the acts of their employees and their activity, and the like of that?

Mr. BELMONT. I can not tell you.

Chairman WALSH. How many women are employed by the Interborough Rapid Transit Co.?

Mr. BELMONT. I can not tell you that, Mr. Walsh. Those are questions concerning the technical management, and it is not my province as chairman of the board to follow those matters.

Chairman WALSH. Nor the hours that they work?

Mr. BELMONT. No.

Chairman WALSH. Nor the wages that they receive?

Mr. BELMONT. Not unless the management saw fit to bring something concerning the wages before the board for its action.

Chairman WALSH. And you have never made any inquiry along those particular lines?

Mr. BELMONT. Not in recent years; not since I ceased to be an executive in the management. As chairman of the board that is not part of my duty.

Commissioner WALSH. Commissioner Weinstock would like to ask you some questions, please.

Commissioner WEINSTOCK. From the recital of the facts in relation to the strike on your road, I understood that your company had recognized the union and had dealt with the union and had entered into an agreement with the union?

Mr. BELMONT. Yes.

Commissioner WEINSTOCK. That the union had deliberately broken their agreement?

Mr. BELMONT. Yes.

Commissioner WEINSTOCK. And that that was realized and appreciated by the national union officers?

Mr. BELMONT. Yes.

Commissioner WEINSTOCK. And that the national union officers ordered the men back, but the men refused to go—

Mr. BELMONT (interrupting). Yes.

Commissioner WEINSTOCK (continuing). And they therefore lost their charter?

Mr. BELMONT. Yes.

Commissioner WEINSTOCK. And were practically thrown out of their union?

Mr. BELMONT. Those were the circumstances.

Commissioner WEINSTOCK. That as the result of that experience your company found that it was unwise and unsafe to longer recognize or deal with the union because they had proven contract breakers?

Mr. BELMONT. In that particular instance, yes. I do not want to answer that question as applying to all unions.

Commissioner WEINSTOCK. No; we understand that. We are dealing just with this specific case.

Mr. BELMONT. Just that one.

Commissioner WEINSTOCK. In this specific case the union had proven itself a contract breaker?

Mr. BELMONT. Yes.

Commissioner WEINSTOCK. And therefore the whole responsibility for the fact that your company does not now recognize or deal with the unions rests upon the shoulders of the men who at that time broke their contract?

Mr. BELMONT. That is it exactly; yes, sir.

Commissioner WEINSTOCK. And at one time, Mr. Belmont, you were the president of the civic federation?

Mr. BELMONT. Yes.

Commissioner WEINSTOCK. The National Civic Federation?

Mr. BELMONT. Yes, sir.

Commissioner WEINSTOCK. Will you tell this commission what does the civic federation preach to employers in this matter of dealing with unions? Does it encourage the recognition of unions?

Mr. BELMONT. Yes—it has. Of course, it does not undertake to refuse to recognize, or the recognition of any condition that exists among its members, because its members are composed of all classes and of all interests in society, as you understand, from an economic sense; and therefore it recognizes, for example, union labor, the question of contracts, and so forth, by the mere fact of having their representatives as members of the organization. But, as you probably know, there are three defined groups represented on what is called the executive council, that is, employers, labor, and the public from any walk of economic life. Unless these three groups agree upon any one particular question, the council does not commit itself to the advocacy or condemnation of that question—not unless the agreement is unanimous. For example, I can illustrate it by an instance in this State.

The civic federation has promoted from the very outset the dissemination of information on the question of compensation for workmen, and laws for preventing accidents. But when a measure in that line is introduced in a legislature, and while it may have had a great deal to do with the formation of opinion which led to that measure and exercised its influence in every way so that a measure should be introduced, on such questions in the case where it could not agree on them in conference with the representatives of the federation of labor, it took no part whatsoever in promoting the passage of such a measure. I mean to say by that, it would feel itself unjustified in going before a committee hearing to advocate any particular feature of a law or to advise the measure as a whole unless absolute agreement of opinion had existed. And inasmuch as it did not agree unanimously at the time the compensation law was being passed in this State, officially the federation did not appear at all. So, too, that would be its attitude on any amendments. But it opens—it not only opens its meetings to general discussion, but on any question which involves the interest of labor and capital, it takes steps to bring them together and to promote discussion and produce out of those discussions as much progress on those questions as it can, always remaining absolutely impartial and neutral unless, as I say, there is unanimous agreement; in that event it stands as positive or negative in its attitude as the case may be.

Commissioner WEINSTOCK. You know, of course, Mr. Belmont, that one of the great issues in the industrial world in this country, if not elsewhere, has been the question of the open and closed shop; that that perhaps had led to more industrial strife and industrial disputes than perhaps any other one thing. Now there are very wide differences of opinion among employers and among workers on the question of the open and the closed shop. That is one of the things that this commission is laboring with—to determine what the wise thing to recommend on the open or closed shop may be; and I am sure the commission would appreciate it if you care to express any opinion about the matter.

Mr. BELMONT. That is so very broad a subject that I am rather—I feel rather disinclined to speak, because my opinion would be wholly personal and not official and would have to be so considered.

There are industries in which, from my observation, the closed shop and spirit and the conduct of that industry with union labor alone has proved very

advantageous and seemed to be satisfactory to both employers and employees. There are others where it has not, and questions of personal liberty then arise, which, as a citizen, make me feel hostile to the enforcement of the closed shop. But each instance has to be judged by itself. There are other industries or corporations such as the one I have spoken of, with obligations to the public, which as producers are so closely connected with their welfare that they are practically public servants, and then the question of policy may overshadow what would seem, in theory, to be the right and the privilege of workmen to organize on the closed-shop basis, and yet in the interest of the public they should be denied that privilege. Now, as a rule, I have been in favor personally of union labor. I think that where conditions exist so that absolute confidence exists—I think the steam railroads, for example—all those I have been connected with find it of great advantage. Where they understand themselves thoroughly they operate under specific and agreed rules; for instance, the very brotherhood that we did not feel it advisable to have interfere with our affairs in the subway and on the elevated is a model as a labor organization. It commands not only the respect and admiration but also the best sort of feeling on the part of the railroads. Mr. Stone is a personal friend of mine, and I have every respect for that union. I think a fast agreement is not only possible but very desirable, in the case of that union. Sometimes when it comes to looking at it purely from an economic standpoint, then there is much to be said on both sides. That is too large a question for me to elaborate unless I had time, so that I do not like to put myself on record as expressing a simple opinion for or against in that respect. Each individual case has to stand on its merits so far as my own opinion and experience has shown in the matter. There are some unions whose word is as good as their bond, their organization and their discipline is perfect, and they are able to enforce what they call their laws or regulations; and others where they are unable to do so.

Commissioner WEINSTOCK. You, of course, are familiar with the argument presented by the advocates of the closed shop, that the only hope of perpetuating unionism is through the closed shop. You know, of course, that argument is presented despite the fact that in the railroad unions, as you have pointed out, which are very powerful and very strong and very reliable and where the relationship between the employers and the unions, as a rule, is cordial and friendly, despite the fact that in those unions, so far as I know, the right of what might be called the open shop to any railroad company is such that it is at liberty to employ anybody that it pleases, and it rests with the union to persuade the new employee to enter the union; is that not so?

Mr. BELMONT. You have hit the nail upon the head; it rests with the unions. Now, a union that conducts its affairs so that it treats its employees along that broad line gets the best results. The men naturally are satisfied. It depends upon the character of what they give their men, as to whether they draw men to them or not. If they do not, and a large element does not join, and seeks protection against them, I think common sense is enough to show that there must be something wrong, otherwise they would be able to attract all to their organization.

Commissioner WEINSTOCK. Do not the railways of the country afford an object lesson—an instance where you have collective bargaining—strong unionism going hand in hand with the open shop?

Mr. BELMONT. Yes; the open shop is really the right principle; and if, for the best interests of the employees, the union has become the only means through which they deal with their employers, and is the element through which the men have their relations prescribed, why they will join. The proof of the pudding is the eating. The unions will be joined by the men, and if they are not there is a reason for it which can be ascertained. Each case has to be treated by itself.

Commissioner WEINSTOCK. What, in your opinion, Mr. Belmont, is the best way to minimize strikes and lockouts?

Mr. BELMONT. What I have said. Each case has to be treated by itself. I could not give a cure.

Commissioner WEINSTOCK. Are there not certain underlying principles of law applied substantially to strikes and lockouts?

Mr. BELMONT. You mean as to arbitration or otherwise?

Commissioner WEINSTOCK. Yes.

Mr. BELMONT. Sometimes quiet conferences brought about by mutual friends have been very effective. That is the function of the civic federation.

Commissioner WEINSTOCK. In the nature of mediation?

Mr. BELMONT. Yes; in the nature of mediation. When it comes to arbitration, why, often in cases where it was provided for in a contract on corporate matters or business matters of any kind I have known of many instances where arbitration was not resorted to, but there was mediation and adjustment without it. And so as to differences that lead to strikes; these are sometimes better adjusted without resort to arbitration; and therefore a compulsory method might not always work satisfactorily.

Commissioner WEINSTOCK. I presume, Mr. Belmont, you are familiar with the Canadian act?

Mr. BELMONT. Yes.

Commissioner WEINSTOCK. What is known as the "Public Inquiry act"?

Mr. BELMONT. Yes.

Commissioner WEINSTOCK. Where it is illegal to strike or lockout—it is illegal to cause a cessation of work until the State has had an opportunity to mediate and investigate—connected with public utilities only, of course?

Mr. BELMONT. Yes.

Commissioner WEINSTOCK. What is your idea of that law?

Mr. BELMONT. It has very good features. My relations were so close with our representatives of labor when I was president of the civic federation—because I was elected at their request and at their instance—that I was called to a council and asked to explain my attitude in connection with the strike situation. I felt and told them that until the Government insisted that when an employee entered the service of either a public-service corporation or a public servant, in the sense of a producer of necessities—until his entrance as a employee became a contract per se without signature, but by reason of the mere fact that he became employed, and until that relationship was treated as a contract—until that was done it would be difficult to persuade employers to trust themselves wholly to the vote of their employees.

Commissioner WEINSTOCK. In other words, Mr. Belmont, if you had the Canadian law in operation in this country you would then not hesitate to deal with organized labor, because you would know that they could not go on a strike until there had been an opportunity for investigation and inquiry—that they could not apply a sudden strike to you?

Mr. BELMONT. I can answer to that, in theory, yes; but as we have 48 States, all with their different laws, no national law could well be passed to compel that method, excepting with certain corporations—

Commissioner WEINSTOCK (interrupting). Interstate?

Mr. BELMONT. Yes, sir; interstate corporations. It does not seem to be a perfectly practical method here, although indicating in its theory to be a good one.

Commissioner WEINSTOCK. Now, while it is quite true that if any one State, like New York, for example, should enact a public-inquiry act, while for the time being it would only deal with that particular problem, yet is it not possible, in connection with the workmen's compensation act, which was initiated in one State—I think, Wisconsin—and has now spread over 25 States and is likely to spread over the entire country—if such an act was amended in some State and administered, that afterwards all her sister States would profit by the experience, and it would become a common condition?

Mr. BELMONT. That has been the history of every legislation beginning in one State. If it proved successful, it has been adopted by others. There are some instances in which practical uniformity exists to-day that did not exist in the beginning at all. And in the question of these compensation laws—they are being tried out in the various States, and they will probably reach uniformity after the lapse of time—after they have been well tried out.

Commissioner WEINSTOCK. Admitting that a public-inquiry act would be a disadvantage along certain lines of employers, in that they could not declare a lockout legally until there had been a public inquiry, and granting, further, that it would be a disadvantage to organized labor because it could not declare a sudden strike—it could not cease work until there had been an investigation and inquiry; yet in the end would not it be a decided advantage to the employer and the workers, especially in the case of public-utility corporations? Would the result not be along a better degree of industrial peace?

Mr. BELMONT. You put the two together, and I do not see how those two questions operate so closely.

Commissioner WEINSTOCK. Which?

Mr. BELMONT. The compensation and the inquiry acts.

Commissioner WEINSTOCK. When I use the word "compensation," Mr. Belmont, I do not mean workmen's compensation. I mean that while the cost, so to speak, on the part of the employers would be that they could not lock out

their men, the cost to the union would be that it would have to waive the sudden strike and would the result not be a higher degree of industrial peace?

Mr. BELMONT. To say yes or no to that—it covers so many industries with which I have no familiarity at all—

Commissioner WEINSTOCK (interrupting). Deal with it in your own industries.

Mr. BELMONT. In the question of transportation I think it would.

Commissioner WEINSTOCK. You think it would be advantageous?

Mr. BELMONT. Any protection that the public may receive from an act of that kind safeguards it against great discomfort and interruption of its means of livelihood, because transportation, particularly, if interrupted for any length of time, would result in discomfort to a very large portion of the population—I presume in this city more than any other. This city lives on what is brought to it, you might say almost from day to day. It could not stand a stoppage of this transportation and anything that tends to protect it against the possibility of it and brought about a discussion on the subject at issue before the step leading to a tie-up could be taken, would be good.

Commissioner WEINSTOCK. Then, if an effort was made to pass a public inquiry act in the State of New York, for example, then you, having large interests in transportation, would not look upon such an act with disfavor?

Mr. BELMONT. I will not put myself on record officially as saying that, because what I am saying is from my personal opinions, and I do not wish to speak as representing those interests.

Commissioner WEINSTOCK. I do not ask you the question in that spirit; I want just your individual opinion.

Mr. BELMONT. An answer, as you first put the question, would involve practically my saying that.

Commissioner WEINSTOCK. I just want your individual opinion.

Mr. BELMONT. My individual opinion, with reservations as to how that act should be drawn, because it could not be exactly the same as the Canadian act, as our conditions are different, would be yes.

Commissioner WEINSTOCK. You spoke about the Interborough Co.'s having a system whereby its employees were furnished with their supplies at cost. Did I understand that correctly?

Mr. BELMONT. Yes; there is a regular department that purchases those things and they are able to buy the necessities of life at cost.

Commissioner WEINSTOCK. There is a certain cost for administration in that department, is there not, buying and selling, accounting, etc.?

Mr. BELMONT. Yes.

Commissioner WEINSTOCK. Upon whom does that burden fall? Is that added to the price of the articles?

Mr. BELMONT. Yes.

Commissioner WEINSTOCK. That is, if it costs 10 per cent to distribute you add 10 per cent to the article and the purchaser gets the article at the actual cost plus the actual cost of distribution?

Mr. BELMONT. Yes; but the word "distribution" should not be used, because it is not delivered; we have no method of delivery.

Commissioner WEINSTOCK. Call it operating expense.

Mr. BELMONT. Yes; but for example, when you said no cost to the company, indirectly yes, in this way: When that department was established in order that the necessities of life could be bought a little cheaper by the employee, the wife of the employee was given a pass so that when she travels to buy at the company's stores she travels without cost; that is for the married man or men when a female member of the family attends to the housekeeping.

Commissioner WEINSTOCK. If an article costs \$1. and it costs 10 cents to handle the article, the employee then pays \$1.10 for that article?

Mr. BELMONT. That is illustrative, but the details of it I could not give you. Those can be easily ascertained.

Commissioner WEINSTOCK. The employee then saves what otherwise would be the middleman's profit?

Mr. BELMONT. Precisely.

Commissioner WEINSTOCK. How has the plan worked out, Mr. Belmont?

Mr. BELMONT. Strange to say, all have not availed themselves of it, but in the main they have.

Commissioner WEINSTOCK. Can you tell offhand what volume of business that department has done?

Mr. BELMONT. No, sir; I could not.

Commissioner WEINSTOCK. You have how many employees who are at liberty to buy from those stores?

Mr. BELMONT. All of them.

Commissioner WEINSTOCK. That represents how large a number, approximately?

Mr. BELMONT. I think we have 18,000.

Commissioner WEINSTOCK. About 18,000?

Mr. BELMONT. Yes, and perhaps a little more; we have more than that.

Commissioner WEINSTOCK. If a company pursued that policy, would it not antagonize the small tradesmen or middlemen?

Mr. BELMONT. That I could not say; I doubt very much if that matter has been considered at all. Our corporation considers the welfare of its men and does not look outside of that.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Mrs. Harriman would like to ask a question.

Commissioner HARRIMAN. Mr. Belmont, you spoke about the benefits to be derived in the event of a disagreement by the parties being brought together; what do you think of a permanent industrial council like the one in England, which provides for an arbitrator in labor disputes, not compulsory arbitration?

Mr. BELMONT. The difficulty here in making a comparison is that such things in England are done by Parliament and for the whole people, and there is no other law that can intervene and in any way embarrass any method that is adopted there; but we have 48 States with their respective legislatures, and it has never appeared to me that a central body of the kind you refer to could be given sufficient power, particularly enough to be effective. There are means constantly found to increase the powers of any Federal board or commission for one reason or another, on the plea of interstate interests, but on that one subject I should not think you could very well parallel our case with the conditions there.

Chairman WALSH. Commissioner Garretson would like to ask a question.

Commissioner GARRETSON. Mr. Belmont, in regard to that industrial council, it is, of course, understood under our present status that it could only deal with interstate questions as applied to your line—would you consider it a desirable agency?

Mr. BELMONT. The council?

Commissioner GARRETSON. Yes; the existence of such a body. I am not localizing it or detailing it. Merely the existence of a body which could be utilized for those purposes, however it might perform?

Mr. BELMONT. Well, it distresses me to say, but the spirit in which those councils and that kind of bodies act abroad—in England—is quite different, I am afraid, from what would actuate them here. Practically there are no politics in what they do of that sort there, but there is always politics in what is done in that way here.

Commissioner GARRETSON. Do you believe that politics has ever entered into the application of either the Erdman or the Newlands Act in any degree? I assume you are familiar with both—reasonably so?

Mr. BELMONT. Well, I can not say from my own—I can not assert it. It has had the appearance, sometimes, yes.

Commissioner GARRETSON. Now, are you reasonably familiar with the compulsory inquiry act in Canada as to its workings?

Mr. BELMONT. No.

Commissioner GARRETSON. Are you aware or not of the fact, then, that it is almost absolutely disregarded?

Mr. BELMONT. That it is what?

Commissioner GARRETSON. Largely disregarded by everybody.

Mr. BELMONT. Yes; that is true.

Commissioner GARRETSON. Well, in your opinion, would it be open to the same objection here?

Mr. BELMONT. Because it would be disregarded? Well, one of the difficulties would be that nothing of that kind could be made compulsory here.

Commissioner GARRETSON. Could not build jails to hold the violators?

Mr. BELMONT. Could not do what?

Commissioner GARRETSON. Could not build jails enough to hold the violators of it, in other words?

Mr. BELMONT. Well, I think—I am not one of those who believe that it is necessary to have jail sentences to induce men in charge of either our public

affairs or our corporations to make them perform their duties; public condemnation is sufficient.

Chairman WALSH. We must have perfect order, ladies and gentlemen.

Commissioner GARRETSON. How about the laboring men that disregard it? Don't you think there would be as many of them as managers?

Mr. BELMONT. It would apply to them likewise. I do not wish to be understood that any distinction should be made in our law for any one individual, no matter in what walk of life.

Commissioner GARRETSON. I apply the jail proposition to the laborer and not to his employer, largely.

Mr. BELMONT. How is that?

Commissioner GARRETSON. I apply the jail necessity as the lawbreaker, to the worker, largely; that is, in greater numbers than his employer?

Mr. BELMONT. I do not know what your question is. You stated an opinion.

Commissioner GARRETSON. Going back to the necessity for a jail for violators—if 20,000 laboring men disregard the law it would take a large number of jails to hold them. Do you believe laws should be enacted that make lawbreakers—encourages them?

Mr. BELMONT. Every breach of the law does not involve a jail sentence, you know.

Commissioner GARRETSON. It does not? It involves the contempt of the law.

Mr. BELMONT. Well, the law can treat it with whatever punishment might seem adequate.

Commissioner GARRETSON. Therefore, do you favor the enactment of the law unless it can be applied?

Mr. BELMONT. No one does, if it can not be effectively applied.

Commissioner GARRETSON. In these clubs that are furnished along the line of your railroad here, Mr. Belmont, was the original purpose of these clubs largely to have the men available when needed on frequent shifts?

Mr. BELMONT. I do not understand the question. It was for the men when they were at leisure.

Commissioner GARRETSON. Certainly. So that if the company needed them they would be readily available?

Mr. BELMONT. Yes; they are near by.

Commissioner GARRETSON. That is the original purpose, underlying the institution of such clubs as a rule?

Mr. BELMONT. They had no shelter; they had no occupation while they were waiting, and those comforts were supplied to them.

Commissioner GARRETSON. When you had this disagreement on your lines with one of the model organizations, was that not the real disagreement between the Brotherhood of Locomotive Engineers—and I use the word "you" in the sense of your company—did it not actually arise over the fact that if you classed them as motormen you paid only \$2.75 up to \$2.87 a day, while if you dealt with the Brotherhood of Locomotive Engineers it would cost you \$3.75 to \$4.50?

Mr. BELMONT. Well, I would not go into the details of it because I was not in direct touch with what took place, but—

Commissioner GARRETSON. It was a difference in cost?

Mr. BELMONT. But it also involved a principle; yes. I think anybody will admit that an engineer who received a certain wage, when he became a motorman, and instead of the average wage for that particular employment, he demanded the same as what he had formerly been receiving, he was not justified in asking more than the motormen were getting.

Commissioner GARRETSON. Well, then, it was really a question of cost?

Mr. BELMONT. When they became motormen, they were motormen, they were no longer engineers.

Commissioner GARRETSON. And the principle was you did not want to pay motormen the steam-engineer price?

Mr. BELMONT. I presume so. I think it was; I am certain it was.

Commissioner GARRETSON. If I understood you—it is a little difficult to hear down here—you answered in regard to unionism on lines like the public utility lines, that it had been undesirable to unionize them, or to allow the union to dominate the property, and still on the railways, the steam railways, good results came from it?

Mr. BELMONT. Yes; because the conditions are wholly different. Our experience has proved in this one case to be advantageous and in the other case it



proved the reverse. And in the light of experience one is condemned and the other approved.

Commissioner GARRETSON. A traction property, a public utility, carries the persons of its patrons, and if it stops business there are only two results that follow directly from that—one is discomfort to the public and the other is the disarrangement of the public business in which they are engaged by their absence—and if the steam business stops it stops the movement of the person, the movement of his supplies, food, and fuel, cuts off wholly all methods of supply for that locality or community that depends upon it, and stops the commerce of the section which depends upon it. Why is unionism a less evil on a property of that kind than on a local traction?

Mr. BELMONT. I did not say that. I am not talking about—

Commissioner GARRETSON (interrupting). If unionized?

Mr. BELMONT. I was not talking about that. Putting that question you assume that I have called it an evil.

Commissioner GARRETSON. I think you used the word that it was not possible or desirable on a public utility.

Mr. BELMONT. You ask me which of the two is the greater evil practically.

Commissioner GARRETSON. Yes.

Mr. BELMONT. I have not called either of them evils. I have said in principle that I approve, but in practice and by reason of our experience here in this particular instance in New York I do not—I am not speaking for any other section or any other city, but in New York, and particularly New York because of its peculiar formation, its north and south lines, the distance that people have to travel to their daily destinations, the vital importance of their transportation there, that in this particular instance the risk could not be run. We do not want even to be considered as saying that it might not prove perfectly successful if tried again, but we can not run the risk. We are under contract to keep that transportation going 24 hours out of every 24 for a matter of 50 years, and therefore anything that would tend to endanger the interruption of that traffic would be—either physical or resulting from its labor—any danger of that kind must be avoided, and unionism there seems to threaten that danger, and we are certain it does from our past experience.

Commissioner GARRETSON. Is there any obligation, charter, or otherwise, that you are under that these steam railroads are subject to where you believe good results have been produced under unionism?

Mr. BELMONT. How?

Commissioner GARRETSON. Are they not subject to the same charter requirements as to continuous operation that you are?

Mr. BELMONT. Yes; but the results—

Commissioner GARRETSON (interrupting). And in far greater degree, more far-reaching?

Mr. BELMONT. No; I do not think so. I do not think a far greater degree at all.

Commissioner GARRETSON. Food supplies in addition to personal transportation is no greater?

Mr. BELMONT. Yes; but in the experience the strikes have not been general; we have not had any very general strikes.

Commissioner GARRETSON. That is railway?

Mr. BELMONT. But most of them have been local. Certain sections of the country have suffered, but as a rule other means, other methods, other lines of transportation have been kept opened. Strikes have been localized. But here in the city interruptions to its transportation as a rule which would take place would be complete. In the event of a strike on the Interboro it would paralyze the entire city.

Commissioner GARRETSON. Would not touch its supplies?

Mr. BELMONT. It would paralyze their movements so as to be a discomfort and a very serious matter.

Commissioner GARRETSON. No question of that. That is a truism. In other words, the difference between steam interruption and local interruption would resolve itself into this: The supplies would be here, and it might be difficult for a certain number of the people to get to the supplies, and in steam interruption the supplies would not be here if, as you say, the city lives from day to day?

Mr. BELMONT. Provided it was complete; yes. We have not had any of those conditions in our particular field, but we have had them here in local transportation.

Commissioner GARRETSON. The difference between our particular field and the other is that we never, have not got past the verge, while the other people have passed it. Is that it?

Mr. BELMONT. That seems to be it.

Commissioner GARRETSON. You take the application of the acceptance of the conditions as applied to the steam traffic—well, I will let that go. That is all, Mr. Belmont.

Chairman WALSH. That is all; thank you, Mr. Belmont.

At this point we will adjourn until to-morrow morning at 10 o'clock in the board of estimate's room.

(At 3.50 in the afternoon of this Wednesday, January 20, 1915, an adjournment was taken until to-morrow, Thursday, January 21, 1915, at 10 o'clock a. m. in the board of estimate's room.)

---

NEW YORK CITY, January 21, 1915—10 a. m.

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Harriman, Ballard, Weinstock, and Garretson.

Chairman WALSH. The commission will please be in order.

Mr. Daniel Guggenheim.

#### TESTIMONY OF MR. DANIEL GUGGENHEIM.

Chairman WALSH. Will you please state your name?

Mr. GUGGENHEIM. Daniel Guggenheim.

Chairman WALSH. Where do you live, Mr. Guggenheim?

Mr. GUGGENHEIM. Now York City.

Chairman WALSH. At what place?

Mr. GUGGENHEIM. St. Regis Hotel.

Chairman WALSH. Where is your place of business?

Mr. GUGGENHEIM. 165 Broadway.

Chairman WALSH. In what business are you engaged?

Mr. GUGGENHEIM. Smelting and mining.

Chairman WALSH. In what corporations are you a director?

Mr. GUGGENHEIM. The American Smelting & Refining Co., the American Smelting Securities Co.; the Guggenheim Exploration Co., the Chill Copper Co.

Chairman WALSH. Are those all of the corporations?

Mr. GUGGENHEIM. No; there are some others.

Chairman WALSH. Kindly mention them as you go along.

Mr. GUGGENHEIM. The Guaranty Trust Co.

Chairman WALSH. The which?

Mr. GUGGENHEIM. The Guaranty Trust Co. Do you wish the names of the banks and trust companies?

Chairman WALSH. Industrial corporations first and railroads?

Mr. GUGGENHEIM. I am not a director in any railroad.

Chairman WALSH. The Nevada Northern Railway Co.; is that one of yours?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. Are you a director in that road?

Mr. GUGGENHEIM. I am, yes, a director of the Nevada Northern Railway.

Chairman WALSH. What is that?

Mr. GUGGENHEIM. Yes; I am a director of the Nevada Northern.

Chairman WALSH. Any other?

Mr. GUGGENHEIM. We have a small branch road also connected with the mines, the Mexican Union Railway, I think is the name, in Mexico.

Chairman WALSH. Any in other industrial companies or mining companies, please?

Mr. GUGGENHEIM. That takes in all of them that I can think of.

Chairman WALSH. The Utah Copper Co.?

Mr. GUGGENHEIM. I am not a director in the Utah Copper Co.

Chairman WALSH. The Yukon Gold Co.?

Mr. GUGGENHEIM. Yes; I am a director in that.

Chairman WALSH. Do you recall any others?

Mr. GUGGENHEIM. Not at the present moment; no, sir. I am actively employed in the others, in the first I have mentioned; not to so great an extent in the others.

Chairman WALSH. In what other companies are the members of M. Guggenheim's Sons directly represented?

## 7560 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

Mr. GUGGENHEIM. I would rather get up a list and present that, if you wish to have it, so that it will be accurate, if you prefer.

Chairman WALSH. I wish you would, please.

Mr. GUGGENHEIM. I will do so.

(See Guggenheim exhibit.)

Chairman WALSH. Is Mr. Robert Guggenheim connected with the Great Eastern Construction Co.?

Mr. GUGGENHEIM. I would not know; we have nothing to do with that.

Chairman WALSH. Is Mr. Murray Guggenheim connected with Gimble Bros.?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. As a director?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. With the National Lead Co.?

Mr. GUGGENHEIM. No, sir.

Chairman WALSH. The New River Collieries Co.?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. The United States Zinc Co.?

Mr. GUGGENHEIM. Yes; that is one of the subsidiary companies of the American Smelting Co.

Chairman WALSH. I see. Is S. and R. Guggenheim connected with the Braden Copper Co.?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. The Electric Boat Co.?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. The Electric Launch Co.?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. The Electric-Dynamic Co.?

Mr. GUGGENHEIM. I do not know.

Chairman WALSH. The Industrial Oxygen Co.?

Mr. GUGGENHEIM. I do not know.

Chairman WALSH. The Interborough-Metropolitan Co.?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. And the International Steam Pump Co.?

Mr. GUGGENHEIM. Yes; I think he is with the latter.

Chairman WALSH. I wish you would please outline, briefly, the character of your connection with the first companies which you have mentioned; for instance, the American Smelting & Refining Co.?

Mr. GUGGENHEIM. I am its president.

Chairman WALSH. You are its president?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. I wish you would please outline briefly the character of your connection with the companies you have mentioned, for instance, the American Smelting & Refining Co.?

Mr. GUGGENHEIM. I am its president.

Chairman WALSH. You are also a director of that company?

Mr. GUGGENHEIM. I am.

Chairman WALSH. Does that company have an executive committee?

Mr. GUGGENHEIM. It has.

Chairman WALSH. Are you a member of the executive committee?

Mr. GUGGENHEIM. I am.

Chairman WALSH. Are you the president of any other company?

Mr. GUGGENHEIM. Of those I have mentioned? I gave you the list of five.

Chairman WALSH. That you are president of?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. I ask you please to repeat those because I did not get them.

Mr. GUGGENHEIM. The smelting company—the American Smelting Securities Co., the Guggenheim Exploration Co., and the Chili Copper Co.

Chairman WALSH. What is the business of the American Smelting & Refining Co.?

Mr. GUGGENHEIM. Smelting and refining and mining of ores.

Chairman WALSH. How many employees are engaged in that industry?

Mr. GUGGENHEIM. Well, I don't know offhand.

Chairman WALSH. Could you approximate it?

Mr. GUGGENHEIM. I should not care to, because I would rather be accurate.

Chairman WALSH. Could you come offhand within several hundred of it?

Mr. GUGGENHEIM. I might not.

Chairman WALSH. Could you state offhand the general number of employees that you have in the industry at its height, so far as the production is concerned?

Mr. GUGGENHEIM. No; I could not do that offhand.

Chairman WALSH. What is the character of the business of the Guggenheim Exploration Co.?

Mr. GUGGENHEIM. They are in the mining business.

Chairman WALSH. In any particular part of the country?

Mr. GUGGENHEIM. All over the world.

Chairman WALSH. Could you answer the same questions with reference to that company; that is, as to the number of employees it has?

Mr. GUGGENHEIM. I would be very pleased to give it to you accurate, if you care to have it.

Chairman WALSH. I want to understand how much knowledge of the labor conditions that you have you carry with you?

Mr. GUGGENHEIM. It runs into the thousands. I think that will give you the information that you want.

Chairman WALSH. What information do you have, either as a stockholder or as a director or president of these companies, concerning the labor conditions in the industries?

Mr. GUGGENHEIM. I am generally posted as to the conditions of labor at our various plants.

Chairman WALSH. How do you receive reports; how do you acquire information from those widely scattered plants?

Mr. GUGGENHEIM. If you will allow me, I will outline the general policy so that you will know how the matter stands.

Chairman WALSH. We would be very glad to have you do so.

Mr. GUGGENHEIM. The laborers are under direct control at each plant of the general manager in charge or the superintendent. In addition, it has been my duty, during the last few years, to visit each plant once or twice a year. I have done that for a great many years. These companies also have executive committees. These executive committees are selected from the directors, and nearly all of the directors are on the executive committee. The various members of the executive committees make trips to the plants in the various parts of the country, so that some members of the executive committee get at the plants every 30, 60, or 90 days, and they are in general touch with the labor conditions and with the laborers at all these plants by conference with the foremen, superintendents, and general managers at the plants. The executive committee meets at least once a week, and the subcommittees, composed of members of the executive committee, meet almost daily.

When the directors return from these inspection trips they make a presentation to the general board, which meets weekly, or the general executive committee as to what the conditions are that obtain there. They discuss everything that has a bearing on the success and business and conditions of the plants, and in that way all the directors—I refer to those being on the executive committee—are continually conversant with the conditions that obtain at the various plants owned by the company.

Our business, as regards directors, is somewhat different from almost all other industrial corporations in this regard: Of the many directors—we have over 20—with the exception of two or three they are all men familiar with the business, having been brought up in the business, and are technical and practical smelting men, and those are the directors that naturally would be familiar with every branch of the manufacturing part of our business. That is why they are directors. The way I have outlined is the method in which all directors connected with the company, with the exceptions I have named, are in thorough sympathy and touch with all of the conditions as to labor and otherwise.

Chairman WALSH. Do you receive reports in writing from these corporations which set forth specifically the labor conditions in the industry?

Mr. GUGGENHEIM. We do not get the information that way. It comes to us orally, but if there is anything that is not satisfactory, the superintendent or manager in charge immediately writes to the home office, which is here in New York, to that committee. For instance, if that charge referred to labor, he would write to them just what the labor conditions were, if there was anything not satisfactory.

Chairman WALSH. Please state what factories, mines—what factories, first, you have personally inspected during the past year in the manner you have detailed.

Mr. GUGGENHEIM. During the past year I have not been in especially good health. I have not been making those visits. But previous to that, during the last 10 years, I have visited all of our plants, both in the United States and Mexico, up to two years ago, I think it was.

Chairman WALSH. And how was it during the year 1914, after making these inspections?

Mr. GUGGENHEIM. Well, I did not make them, but the other members of the executive committee made those tours.

Chairman WALSH. In 1918?

Mr. GUGGENHEIM. I think it was in 1912 I stopped going to these plants and delegated that work to other members of the committee.

Chairman WALSH. Well, during the year 1912, what factories owned by any of these corporations did you visit?

Mr. GUGGENHEIM. Well, we will start in in the East. I have been at the Perth Amboy plant.

Chairman WALSH. How often were you there?

Mr. GUGGENHEIM. I go there a number of times a year, because they are close to our present location. Once or twice in the year I would go to Omaha, and then to our various plants in Colorado, to El Paso, to California, to Washington, and to Mexico and to Missouri, where we have a number of plants—in the State of Missouri. Those are the ones I have at my fingers' ends at the present.

Chairman WALSH. During the year 1912?

Mr. GUGGENHEIM. That and all previous years. I think it was during 1912, and then that and all previous years for at least 10 years.

Chairman WALSH. Now, since 1912, would you indicate the persons on your executive committee that did visit the plants, mines, and the factories controlled by your corporations, please.

Mr. GUGGENHEIM. Yes; Mr. Karl Ellers and Mr. Edgar L. Newhouse; those gentlemen, especially, go out frequently.

Chairman WALSH. Do they go out to the same extent you did prior to 1912?

Mr. GUGGENHEIM. Oh, yes; they go out even more frequently and more conscientiously. They are younger men and have more time to devote to that special branch of the business.

Chairman WALSH. In your opinion, to what extent are your directors and stockholders responsible for labor conditions in your plants?

Mr. GUGGENHEIM. In our case the directors—not the stockholders, but the directors—are absolutely responsible, with the exception of those two or three gentlemen that are not on the executive committee. They are absolutely responsible for the management of the business and for the conditions of the laborers and everything that pertains to the welfare of the business.

Chairman WALSH. They feel their responsibility and hold themselves—

Mr. GUGGENHEIM (interposing). Absolutely.

Chairman WALSH (continuing). To the discharge of the duties connected with that responsibility?

Mr. GUGGENHEIM. Absolutely.

Chairman WALSH. How many directors are there of the American Smelting & Refining Co., Mr. Guggenheim?

Mr. GUGGENHEIM. I believe about 20.

Chairman WALSH. And how many members of the executive committee?

Mr. GUGGENHEIM. Seventeen or eighteen.

Chairman WALSH. I wish you would state what arrangements, if any, you have put into effect in your industries for the improvement of the labor conditions—for the inspection, first, of labor conditions, and the improvement of anything that seems to be wrong.

Mr. GUGGENHEIM. Well, until a year and a half ago conditions—when anything arose that was unsatisfactory, in our judgment, from observation or experience or from requests and visits from our workmen, we endeavored to meet that in every way possible, to put in any necessary improvements that we think would benefit them, and we have made quite a number, the details of which I will be very glad to let you have. I haven't got them at my fingers' ends. But we found up to that time or previous to that time a great many more things should be done than what we were doing; and I have suggested to the board of directors and to the executive committee that I believed that we should go much further than we have gone, in order to improve the conditions and the welfare of our people, from the humanitarian standpoint and from the standpoint of good business. We feel that by improving labor conditions—that

is, the housing of them better—and providing pension funds and providing benefits in various directions, we would get better results than we had been getting; that we would get a higher efficiency. And it has appealed not only to me, but I think, with very few exceptions, to our executive committee or to our board of directors, and it was suggested that we try and secure some one who was thoroughly in sympathy with that thought and some one that could advise us, having had more experience than we have had, and who had general information from what was going on in other operations similar or even different from ours, and we decided it was advisable to engage Dr. C. P. Neill, former Commissioner of Labor. He came to us about a year and a half ago, and we appointed a committee and Dr. Neill became one of that committee, and they have been making examinations, investigations, and recommendations as to what should be done; and only recently they recommended that we should take over and put our men under a benefit system improving their conditions in that way. And a number of these things are now being considered by our committee. First, it will be recommended by the committee directly in charge of labor and welfare that will be passed up to the general executive committee or board of directors, and they usually adopt the recommendations of these various executive committees. And I believe Dr. Neill has been called as one of the witnesses, and I would rather he would give you the details of it, because he is more familiar with it than I am; but in a general way we are very much in sympathy in improving the labor conditions that exist at our various plants. We have adopted a number of things already, and hope to continue to make more improvements, the details of which we will be very glad to furnish you, but I prefer that you get those from Dr. Neill, because that has been his direct occupation to recommend and find out what was really necessary and advisable for us to do.

Chairman WALSH. Are the reports of Dr. Neill as to labor conditions and suggested improvements made in writing?

Mr. GUGGENHEIM. No; they have been discussed heretofore orally, and he has been telling the committee what he thought was advisable. Whether or not he has made up or sent in his report in writing. I have not seen it yet; I don't know.

Chairman WALSH. With regard to the benefit organization for the employees; has the plan for that been put in writing by Dr. Neill or any person who is connected with your organization?

Mr. GUGGENHEIM. I think not. I think they have decided that only within the last few days. There is one thing we have adopted universally, where it is possible to adopt it, and that is in all States where the compensation laws have been passed—the elective compensation laws—we have elected to adopt those compensation laws, because we think very well of them as a whole.

Chairman WALSH. Did your companies take any part in promoting or opposing compensation laws in any of the States of the Union?

Mr. GUGGENHEIM. We never opposed them. I would not permit that under any circumstances. I don't know to what extent our local managers may have aided or assisted, but we do not oppose any legislation, and our managers have instructions not to do that. That is not their business. Their business is to run the plants, and legislation is another matter. As a company we never do anything of that kind. We would not permit it.

Chairman WALSH. Is the report or suggestion as to the benefit association in written form, Mr. Guggenheim?

Mr. GUGGENHEIM. I say I do not know. We were only discussing—I don't know whether the report is made up yet or not. I have only been discussing it with some of our directors.

Chairman WALSH. Well, whose duty would it be to make that report?

Mr. GUGGENHEIM. Dr. Neill's.

Chairman WALSH. And please state again to just what extent that work has gone—the organization of a beneficial association.

Mr. GUGGENHEIM. Well, they have made the investigations and they are going to make the report now.

Chairman WALSH. They are going to report or have made a report?

Mr. GUGGENHEIM. They have made it orally; whether or not it has been passed up to the committee or not in writing, I do not know.

Chairman WALSH. Would you please state the general form of the scheme?

Mr. GUGGENHEIM. Well, the general form is to provide in a general way for the improvement of the laborers.

Chairman WALSH. Does it provide a death benefit?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. Sickness benefit?

Mr. GUGGENHEIM. Yes; and an injury benefit, as I understand it, in the case of injury. We have already adopted, as an experiment, at one of our plants, as I understand it, in the case of injury. We have already adopted as an experiment at one of our plants, Perth Amboy, N. J., a scheme whereby the company insures our workmen in the case of death. This has been done at our expense, and we want to see how that works out. That was done a couple of years ago, if I remember rightly, at the suggestion of one of our directors.

Chairman WALSH. What was the plan?

Mr. GUGGENHEIM. The plan was to allow them \$500 to \$1,000, as to whether they were married or unmarried, in case of death; a simple proposition of that kind. And then we have considered the improving of our laborers and the housing, etc., and increasing their sanitary arrangements wherever possible to advantage. Now, the details of all those things there will be no difficulty in getting them up and handing them to you, so that you will have them absolutely accurate. You see, my province in the business is the suggestion, as president of the company, of general policies of business; and it does not fall to me to know all these details. Those are divided up among special committees, and each committee has its work; and there is the so-called labor committee, composed of members of the executive committee, and any information in that direction can be furnished you accurately by the party in charge of it; and I should say that Dr. Neill was the man best qualified to do so, because it is under his direct jurisdiction.

Chairman WALSH. Under the plan adopted two years ago is the money paid directly by your company to the beneficiary?

Mr. GUGGENHEIM. I think it is paid by the insurance company. In fact, I have not the details as to how it was done. It was a simple arrangement made whereby in case of the death of a single man or a married man while in the employ of the company he was given a certain sum of money, from \$500 to \$1,000, and we paid the insurance company a certain amount for doing that for us. Now, whether the insurance company pays the men the money or our company pays the men the money, I don't know; but I will be glad to furnish you the details of that if it is of interest to you.

Chairman WALSH. It is. Does the employee pay anything for the insurance?

Mr. GUGGENHEIM. No; not for that insurance.

Chairman WALSH. Now, you state that you have a labor committee—

Mr. GUGGENHEIM (interrupting). Yes.

Chairman WALSH (continuing). Within the executive committee?

Mr. GUGGENHEIM. Yes, sir.

Chairman WALSH. How many members constitute that committee?

Mr. GUGGENHEIM. I think three members—four, altogether.

Chairman WALSH. Are you a member of that committee?

Mr. GUGGENHEIM. No, sir.

Chairman WALSH. What are the names of the members of the labor committee?

Mr. GUGGENHEIM. I can not give you the names offhand, either.

Chairman WALSH. Can you give the names of any of them?

Mr. GUGGENHEIM. Yes. I think Mr. Loeb is on it, and Dr. Neill, I think, and Mr. Brush. I can not recall the others. Perhaps Mr. Ellers or Mr. Newhouse.

Chairman WALSH. And is Dr. Neill a director in your company?

Mr. GUGGENHEIM. He is.

Chairman WALSH. When was that committee created?

Mr. GUGGENHEIM. That I can not give you, the date.

Chairman WALSH. Well, was it since Dr. Neill came with your organization?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. And when did he come with your organization?

Mr. GUGGENHEIM. I think about a year and a half ago.

Chairman WALSH. Prior to that time did you have a labor committee?

Mr. GUGGENHEIM. No; there was not any labor committee; but the various members of the executive committee would participate in the discussions and the making of recommendations as to what should be done, and then those recommendations were sent to the superintendent in charge of the plant.

Chairman WALSH. If you, as president or as a director, were convinced that labor conditions in any of the corporations in which you are interested were such that workmen were unable to support their families without putting their wives and their children to work, or if the nature of the employment re-

sulted in industrial disease, or if the accident rate was excessive as compared with other corporations, what action would you take?

Mr. GUGGENHEIM. I would immediately bring the matter to the notice of the executive committee and would order an investigation, and if the conditions were as you have stated they might be I should order—do everything in my power to see that they were changed or remedied for the benefit of the workmen. And if my corporation would not carry out my ideas in regard to that, I would have nothing to do with it.

Chairman WALSH. In the report of the Bureau of Statistics of the State of New Jersey—you had a strike, I believe, in New Jersey, quite an extended strike, in 1912?

Mr. GUGGENHEIM. Yes; quite right.

Chairman WALSH. It is stated, we are informed in the statistics of New Jersey in connection with that strike the following alleged facts: That the standard for laborers before the strike was \$1.60 per day.

Mr. GUGGENHEIM. Yes.

Chairman WALSH. Is that correct?

Mr. GUGGENHEIM. I can not state that. I would not know. That is a detail that I would not have in my mind, naturally.

Chairman WALSH. Wouldn't you have in your mind as to what the rate of common labor was prior to 1912?

Mr. GUGGENHEIM. No; I would not.

Chairman WALSH. Was there any increase after the strike?

Mr. GUGGENHEIM. That I do not recollect. Those details I would not care to state offhand, but I could let you have the information in case you have not got it; would be only too pleased to give it to you.

Chairman WALSH. At that time did you make any personal inquiries as to the large fact as to how much the common laborers received?

Mr. GUGGENHEIM. No; I did not. I do not go into the details of those things. My duties won't permit of it.

Chairman WALSH. Was it a fact that it—

Mr. GUGGENHEIM (interrupting). My other duties, I mean—I beg pardon.

Chairman WALSH. There was somebody whose duty it was to go into the details?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. Who was it?

Mr. GUGGENHEIM. At that time we selected one of our directors—Mr. Willard S. Morse—in whom we have great confidence, and whom we believe is a man with a humane side as well as a business side. I told him specifically to go over to Perth Amboy and to remain there and study up the conditions and see what the difficulties were, and do everything that was right in order to bring about a proper adjustment as between the laborers and ourselves. And he had that business specifically under his charge, and he cooperated with our managers there and, I believe, with the local authorities; and in addition, if my memory serves me correctly, President Wilson selected some one to go there and see what could be done to bring about an adjustment of the question. And after the trouble was disposed of this gentleman—I forget his name—called me on the telephone and told me that he was highly pleased. He was on the governor's staff. He was a man in the banking business. I can not just recall his name, but I can get it when necessary. He told me that he was highly pleased with what Mr. Morse had done, and also with the spirit of the company in trying to meet the workmen in every way possible. In fact, he complimented me; and I told him I appreciated what he had said in the premises, too.

Chairman WALSH. Now, then, as I understand you, prior to the formation of this labor committee in the employment of Dr. Neill, your plan was to have one individual investigate and ascertain labor conditions; is that correct?

Mr. GUGGENHEIM. No; that is not quite correct.

Chairman WALSH. State it again, please.

Mr. GUGGENHEIM. The general manager in charge of the plant has, of course, naturally all of the information in regard to the laborers and the conditions that obtain. And the executive committee would from time to time—several of the members of the executive committee—would visit various plants and see what was going on and what was happening. And in addition to that they would make, on their return to New York, a report to the general executive committee as to what the conditions were regarding the plant, labor and operations, profits, losses, purchase of ores, and everything pertaining to the business. In that way all the directors were reasonably well informed as to what



existed; and in case of trouble at any plant it is the duty of the general manager or the superintendent at the plant to immediately take up the matter with the home office. And then in that event, if it is thought advisable, generally speaking, a director or two directors are sent to the place where the difficulty is—where the trouble is—to confer with the general manager or superintendent in order to be of service to him to bring about proper conditions as between the laborers and the general superintendent, and they would try to adjust matters, and generally succeeded in doing so. They would be in touch with the whole—with the entire board of directors and the executive committee—and would tell them just what the conditions were, and we would advise them from time to time just what they should do, or what we thought was fair, or what we thought was right. If an advance was advisable, or for some other reason, we would take up the question and decide what should be done. So that the entire board of directors in our case are practically responsible for the conditions that obtain at these plants. We do not care to shirk our responsibility. They are willing to assume that responsibility, and they are in sympathy to improve the conditions of labor wherever it is possible. And if they can adopt the measures that they have been asked to and are able to do it, if it is from a business standpoint, it is done.

Chairman WALSH. Now, in discharging this responsibility that you have just mentioned, I will ask you if you did not observe, as president and as a member of the board of directors, and as a member of the executive committee, that the standard rate for laborers in your plant in 1912 was \$1.60 per day? That was the question, Mr. Guggenheim.

Mr. GUGGENHEIM. Well, I have taken up a lot of time in answering that simple question. I do not recall what the wages were at that time—whether a fair rate or a low rate. I can not remember whether it was \$1.60 or whether it was \$1.40, or whether it was \$1.80; naturally, after two years I would not have that in my mind.

Chairman WALSH. What is the chief factor in the proposition or contention of the men; is it a question of hours between the employer and the employee?

Mr. GUGGENHEIM. It is, generally speaking, a question of wages.

Chairman WALSH. And, next to that, the question of hours?

Mr. GUGGENHEIM. The question of hours is a very important matter, naturally.

Chairman WALSH. And then the question of surroundings and conditions?

Mr. GUGGENHEIM. Yes; quite right.

Chairman WALSH. When these gentlemen made these investigations in your plant, was it the custom for them to talk to the workers themselves—the individual workers?

Mr. GUGGENHEIM. Yes. I gave them instructions to do that very specific thing. And I recall an incident of the first day, Mr. Morse told me; he said he sent for three of the men and asked them what they really wanted. He said that each of them wanted something different; they could not reach a conclusion, because they did not really know what they wanted. That was all the difficulty. One man wanted one thing and another man wanted another thing, and the third man wanted something else. I told him that these men—to treat them kindly and do the best that they could with them and try to have them to formulate their demand so that it would be in shape that they could discuss and be reasonable to them and reasonable to us. They worked on that general principle, to try to get them together and agree what they did want. It was finally settled. I do not remember what the basis of settlement was, but it was finally disposed of. After the minds had met it was disposed of, but I know they went back to work, and we were very well pleased, and I know I got that complimentary message from the gentleman who represented the governor of the State at that time. President Wilson was then governor.

Chairman WALSH. Do you know what the standard rate for laborers is at the present time in your New Jersey plant?

Mr. GUGGENHEIM. No; I do not know that detail, and if I did know I would not be able to know whether that is a fair wage or not. It may be \$1.60 or \$1.80. One plant may pay \$3 and another a great deal less. Unless I go into all of the details I would not know whether it was fair or not.

Chairman WALSH. Without regard to whether it is fair or not, do you know of any plant in New Jersey in which the standard wage is \$3 a day; the standard rate is \$3 a day?

Mr. GUGGENHEIM. I do not think there are any plants that pay that much, but my information on that subject is general.

Chairman WALSH. I gather from that same report that the majority of your employees at Perth Amboy work 12 hours a day; is that true?

Mr. GUGGENHEIM. I do not think so.

Chairman WALSH. What hours per day do the majority of your employees at Perth Amboy work a day at the present time?

Mr. GUGGENHEIM. My impression is that it is eight hours.

Chairman WALSH. Do any number of them work 12 hours a day?

Mr. GUGGENHEIM. I think not; but I am not positive about that. That is a detail of the business which I have not followed.

Chairman WALSH. Do you recall that, from any report made by any sub-committee or anything you heard at any meeting of your executive committee?

Mr. GUGGENHEIM. No.

Chairman WALSH. Is it a fact that the plant is operated continuously day and night?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. Is it true that much of the work is done under such intense heat that an occasional day of rest is a necessity for the men, that even men of the strongest physique require such a day of rest, and that consequently you are required to carry many extra laborers on the pay roll?

Mr. GUGGENHEIM. In that case the Sundays have been cut out, and they do get a day of rest where the heat is bad. We do that and are glad to do it, for a man should not be required to work seven days. We have a plant in the West, the United States Zinc Co., where it is difficult work for even eight hours, and there we pay good wages, and do the best we can from a humane standpoint. Our managers there pay attention to that and have instructions from us not to allow the workmen to work under conditions that are derogatory to their health.

Chairman WALSH. The question was, Is your company obliged to carry many extra laborers upon its pay roll to meet that situation?

Mr. GUGGENHEIM. No.

Chairman WALSH. That is not true?

Mr. GUGGENHEIM. No.

Chairman WALSH. What do you think that the standard rate of wages for a laborer ought to be in New Jersey at the present time, considering the cost of living and all of the other conditions that you might think of that enter into that question?

Mr. GUGGENHEIM. That is a question that requires a great deal of study, and I must plead ignorance in not being able to pass upon it.

Chairman WALSH. Should the men engaged in labor be required to work 12 hours a day?

Mr. GUGGENHEIM. No; they should not.

Chairman WALSH. Please explain the relative frequency of strikes at the American Smelting & Refining Co.'s plant at Perth Amboy. I believe there was one in 1910?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. And another in 1912?

Mr. GUGGENHEIM. I do not think those are frequent strikes—to have one in a year, or two years, when you consider the difficulties that the laborers have to live under and the high cost of living, and there naturally will be discontent, and there is discontent, and I have a very sympathetic feeling for their troubles, for I know they are living under very difficult conditions at the present time. I mean during the last year or two, during which time the cost of living has gone up so.

Chairman WALSH. Would that be your idea—leaving out the word “frequency”; would that be your idea, that the strikes that have occurred at Parth Amboy were due to the high cost of living?

Mr. GUGGENHEIM. I should say that would be the main cause of dissatisfaction and unrest in labor, because the cost of living has advanced so much in the last few years.

Chairman WALSH. What is your attitude toward the organization of employees for their own protection and for what they deem best to advance their interests?

Mr. GUGGENHEIM. I think they are fully justified, and I fully approve of it.

Chairman WALSH. Upon what information or experience is that attitude of yours based?

Mr. GUGGENHEIM. The general knowledge I get of what is going on in a general way, and knowing that the capitalists very frequently are very arbitrary men, the same as the laborer when he gets too much power can be very arbitrary, and is very arbitrary, but I fully believe the laborer has a right to organize and should organize to protect himself the same as the capitalist.

Chairman WALSH. What is your attitude toward permitting union organizers not connected with your corporation to address your employees and carry on their work?

Mr. GUGGENHEIM. They can do anything they please outside of the grounds. That is their business and we do not believe in handicapping the workmen. They are human beings the same as the rest of us. They have the right to do what they please. Our men do not stop them, and they are instructed not to stop them outside of the grounds.

Chairman WALSH. Are instructions given to the managers of your plants in writing?

Mr. GUGGENHEIM. No; those discussions take place orally. The managers frequently visit us, and many of our managers are directors, and when they come on they know the general policy of the company and they are informed in that way just as to what we want them to do. There are frequently letters written covering our wishes. We are not afraid to write letters, and we do so and give them instructions in that way.

Chairman WALSH. As the result of your observation and experience, would you say that industrial discontent in America is increasing or decreasing?

Mr. GUGGENHEIM. I should say that it is increasing and has been increasing for many years, and I am sorry to say that I fear it will continue to increase unless things are done to prevent it for the benefit of the laboring classes.

Chairman WALSH. What is causing this increase of industrial discontent, in your opinion?

Mr. GUGGENHEIM. The high cost of living primarily, and next the worst canker the world is suffering from, which is the canker of envy, and when the poor man realizes how much he has to be envious for it is natural that it will create discontent and to a very great extent. That is the unfortunate thing that prevails throughout the entire human race.

Chairman WALSH. You say that will continue to increase unless something is done to remedy it?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. From your experience in industry, Mr. Guggenheim, what remedies would you suggest?

Mr. GUGGENHEIM. A great many things have been done during the last few years, but more things will be done in the years to come, because, I think, that there has been an awakening, because the laborer and employer, and among the managers of business, they are commencing to realize to a greater extent than ever before that they have obligations toward the workingman beyond that of trying to get only results. The same as I do not think the world believes to-day that, in order to get on in business, you have to ruin your competitor. Formerly it was a question of the survival of the fittest, but I think we have evolved from that policy, as I think the employer of labor has evolved from the policy of grinding his laborers down and paying them the lowest wages possible and utilizing them for his own interests and for nothing beyond that. I hope the capitalist—and I hope I am not mistaken—has become more humane, and I think finally in that way we will get away from a good deal of the discontent that now exists.

And in addition to that, although many people are of the opinion that too much legislation is going on and that we are suffering from too much legislation, I do not agree with that idea at all. I do not think we have begun to legislate to the extent that we shall in the future. I think we are many years behind the advanced countries in that direction, like England and Germany, in providing for the welfare of our workmen. I think the difference between the rich man and the poor man is very much too great; and only if that is done will we be able to get away from the unrest that exists among the workingmen, and surely the men who have been successful can not be very happy when they realize how much unrest there is and realize what is taking place. A great deal can be done in a legislative way. I am a great believer in the legislation that is being discussed and thought of, where the Federal Government and the State—the employer and the laborer get together, and laws being enacted where they all participate, covering the laborer's time of working life and after his injury and after he dies. A great deal can be done in that way, in my judg-

ment, but it is too big a job for the State to tackle alone, or labor to tackle alone. I do not know that that will satisfy labor, because they want something more, beyond that, or those that think want more than that. They want more of the comforts and necessities of life and more of the luxuries, and they are entitled to them and ought to get them. I think the appointment of such a commission as this will lead up to some legislation along the line it should, and I do not say this because I am beyond the question of want, but I have a humane feeling for my fellow man and have always had it and I feel that way.

Chairman WALSH. Aside from the feelings of humanity, or even of benevolence on the part of the employers, do you believe that just and fair conditions can be brought about between employer and employee unless the employee has a compelling voice in the fixing of his own conditions of labor, wages, hours, and the conditions which surround him while he is at work?

Mr. GUGGENHEIM. No. I do not think you could bring it about universally. You might do so in some instances.

Chairman WALSH. So that industry must be democratized as a social society from a political standpoint if justice is to be worked out?

Mr. GUGGENHEIM. I think so.

Chairman WALSH. And should all efforts of employers and employees and humanitarians and the Government be pressed in that direction?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. You have no doubt about that in your experience?

Mr. GUGGENHEIM. Absolutely none.

Chairman WALSH. Has any man in a political democracy such as suggested justified in refusing the extension of that idea?

Mr. GUGGENHEIM. No; he has not.

Chairman WALSH. I am putting that, now, both generally and locally.

Mr. GUGGENHEIM. I agree with that fully and unequivocally.

Chairman WALSH. And in democratizing industry, as a political society or society from a political standpoint, you must deal with the material at hand?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. The employer, for instance, could not say that he would refuse to deal with another man—an employee—for any defect he might claim existed in the man's character any more than an employee could refuse to deal with the employer because of the same reason?

Mr. GUGGENHEIM. You are quite right. I believe that legislation that will benefit the many is justifiable under all circumstances, no matter what they are. That which will make the most people of the country happy.

Chairman WALSH. In what philanthropic activities are you interested, either as a contributor or director?

Mr. GUGGENHEIM. I do not think I care to advertise that.

Chairman WALSH. It is not a matter of advertising, Mr. Guggenheim, I may assure you, at all.

Mr. GUGGENHEIM. I appreciate the sentiment that prompts you to ask that question, Mr. Chairman; but I do not think I care to go into that, and I do not think it is necessary. I am trying to do my duty as a philanthropist and charitable man; but I do not think any of us give up enough. We do not give enough at any time, generally speaking. I am not specific now.

Chairman WALSH. Appreciating your feeling of delicacy in referring to the amount, I will ask you to state along what line your philanthropic activities go into?

Mr. GUGGENHEIM. In every direction, whether looking after the unemployed at the present time, or providing hospitals for them or homes for them, or homes for the injured, the old people, and the orphans. I am participating in various directions, and none of them fail to appeal to me or to Mrs. Guggenheim, who cooperates with me to a great extent in work of this kind; but I do not care to be more specific.

Chairman WALSH. In your opinion, have philanthropic activities generally had any effect toward reducing industrial discontent?

Mr. GUGGENHEIM. No; only to a limited extent, and that extent is very, very limited. In other words, the cases that most people deal with are cases of necessity that have come up from time to time, and the necessity seems to grow; but those are big matters, and, in my judgment, those are matters—that no man should be refused a job in case he is fit to take one, and if he can not be employed it is up to the State to see that he gets work; and I think it is up to the State or Federal Government to see that every man physically unfit, if he is

sick, gets a berth at the hospital. Every man that is sick or can not work should be looked after. You may call that a socialistic tendency, but those are my views.

Chairman WALSH. What do you think has been accomplished by the philanthropic activities of the country in reducing suffering and want among the people?

Mr. GUGGENHEIM. There has a great deal been done. If it were not for what has been done and what is being done we would have revolution in this country. The people could not live that are out of employment if it were not for the philanthropic work that is being done; but no matter how much is done, enough is never done, because the people themselves do not realize what the situation is, and there are so many thousands of people that do not like to part with the money they have made that they do not need and which is of no advantage to them. They have not learned to give up. It is a habit you have to acquire in early life, and it is a good habit to get into.

Chairman WALSH. You have mentioned what might be called general socializing of this form of activity—social insurance against sickness, and things like that.

Mr. GUGGENHEIM. Yes.

Chairman WALSH. Do you consider, from your experience in philanthropic work, that any substantial gain can be made in social betterment except through the democratizing of those interests as well, putting them in the hands of the Government and allowing it to raise the money by a system of taxation and allowing it to do the work itself?

Mr. GUGGENHEIM. I think it should be finally handled by the Government. We are taking care of the necessities, but they are growing continuously, and I think that is the work of the State or of the United States, to look after those people. The State must raise its money by taxation—by taxing the fortunes of the people when they die in a sufficient amount to enable it to do those things. Those are my personal views, of course. Many do not believe as I do in that regard.

Chairman WALSH. What do you consider might be called the fundamental evil of allowing such things to be done by private benefactions entirely?

Mr. GUGGENHEIM. The result is that you pauperize the people; and then you often come in contact with the people of finer feelings who do not want to accept charity. I come in contact with that every day in the week, almost every hour of the day. I know of people who would rather starve and have starved before accepting help from others; they won't accept charity, and there are hundreds of them. They are men and women, not dogs and animals, that absolutely refuse to accept assistance in a charitable way, and that condition can only be handled by the State.

Chairman WALSH. Have you observed a growing protest upon the part of men and women who work in these industries against any of the profits of those industries being conferred by private benefactions?

Mr. GUGGENHEIM. I will ask you to repeat that question please.

Chairman WALSH. Have you observed a discontent on the part of the individual workers in industry toward a portion of the product of that industry being conferred by private benefactions?

Mr. GUGGENHEIM. They would rather become participants in that product, and they are entitled to become participants, than accept help in a charitable way, and it is much better because it means the uplift of the men by allowing them to participate in the profits. The great difficulty at the present time is that it is very difficult for these men who work to save anything. They do not know what saving is. Therefore, I am a believer in participation in profits by the laborers in industry, and then not only letting them participate, but it should be so formulated and arranged that their money is given to them in bulk at the end of a certain period and deposited in some bank or savings institution, because the laborer usually does not know the way to save his money; if he gets it by the week he spends his money, his expenses grow with his receipts. A few men learn how to save, and it is a difficult matter for a poor man to learn to save. Therefore, if he had an extra bonus at the end of a certain period, no matter how small it was, and that were deposited for him in some savings bank, that would develop hundreds and thousands of poor people who would be much better off because they would have money where now they spend it; and that is one of the reasons for so many poor people not getting on in the world. That is not saying that we do not have hundreds and thousands of people in this country who do save money, because the savings

banks are full of it, but the plan which I have outlined would enable others to save money and that would improve the condition of unrest that now exists. Assume a man has something of his own which he has put aside he feels differently. You must educate the people to do those things as you educate a boy to read and write. People must be educated in every walk and phase of life, and to educate them to save money is one of the most difficult things to do.

Chairman WALSH. Do you put the ideas which you have expressed here, of giving them a fair share of the profit—do you put that on the ground of benefactions or charity, or on the ground of elemental justice?

Mr. GUGGENHEIM. On the ground of their rights.

Chairman WALSH. That is, elemental justice?

Mr. GUGGENHEIM. Yes; elemental justice.

Chairman WALSH. Now, that being true, what is the logical foundation for withholding that from the man for any length of time or making any terms to him as to that?

Mr. GUGGENHEIM. That is a difficult problem. The man is human and says that he wants his wages, but you can put it on the same ground you do in paying the investor his dividend. He does not get his dividend every week or every day, but at the end of six months or a year. And when they get it in bulk they could have instructors at the plants, or from the State or county or city to teach the men what to do with those dividends and devising ways and means for the investment of that money, instead of allowing them to put it into speculations where they lose it. If they put it into savings banks protected by the State their money is safe from loss there, and this plan would result in benefit to the people at large.

Chairman WALSH. Theoretically the stockholder in industry indicates those conditions for himself, as to when he shall receive his dividends.

Mr. GUGGENHEIM. No; as the usual method is regulated, it is a question of expediency.

Chairman WALSH. But theoretically, the stockholder regulates that because he has a right to vote on it?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. And there is no holding of the dividend, or advice given to the stockholder, as to how he shall use his money?

Mr. GUGGENHEIM. No.

Chairman WALSH. Some stockholders are thrifty, and others are shiftless and lose their money?

Mr. GUGGENHEIM. Yes.

Chairman WALSH. And some workmen are thrifty and some otherwise?

Mr. GUGGENHEIM. Yes; but I think you will find that the greater proportion of them are thriftless than otherwise, and if you could find some one to help them in that direction it would be a good thing.

Chairman WALSH. Your experience shows a greater number of working people who are improvident than among those who are the possessors of wealth?

Mr. GUGGENHEIM. That is natural; those men and women have become wealthy because they have been thrifty.

Chairman WALSH. All of them?

Mr. GUGGENHEIM. No; but in America I think we can assume that the most of those who have become wealthy in the last 10 or 15 years have been thrifty. But if you go back 40 or 50 years you will find there are some who have inherited their wealth from their worthy or unworthy sires, and I sympathize with them, for the rich men's sons deserve some sympathy, not to the extent that the laboring man does, but often he does not know how to take care of himself.

Commissioner GARRETSON. Mr. Guggenheim, speaking of the reports that are made by your superintendents or managers in the event that labor troubles arise, do you accept the reports of such superintendents or managers as conclusive or do you use means of your own to determine whether or not a course pursued by the superintendents or managers has been conducive of the trouble?

Mr. GUGGENHEIM. Yes.

Commissioner GARRETSON. You use your own methods or take his as conclusive?

Mr. GUGGENHEIM. No; we usually send a director or two out to the place to ascertain, men that are without prejudice and unbiased, to go into the thing thoroughly and find out who is responsible for the trouble and to make a thorough investigation. Those directors then report by telegraph or letter, or they come back after they are through and report to the general board of directors what has happened and the causes of it.

Commissioner GARRETSON. If their report was to the effect that the manager himself was at fault, that it had been his methods which had brought about the trouble, there would be no hesitancy on the part of the corporation in reversing his action?

Mr. GUGGENHEIM. Absolutely no hesitancy.

Commissioner GARRETSON. Is not the idea underlying pensions, sickness insurance, unemployment insurance, and all that class of so-called social insurance—is not the underlying idea the protection of society really instead of the protection of the individual in a very large degree?

Mr. GUGGENHEIM. Oh, I couldn't say that; I wouldn't say that; I could not agree to that.

Commissioner GARRETSON. What does actually underlie it?

Mr. GUGGENHEIM. I think what really underlies—there are two things underlie. I know one case I can speak of from experience. I think there is a great human side to many of the people which appeals to them, and then when it is discussed, as we so frequently discuss it, around the table, we eliminate, for argument sake, the humane side; and those men are progressive and understand the situation, and they discuss it from the standpoint of getting better results. I do not think my own people, from my own particular experience—but what it is to the interest of the employer to improve the conditions of his workmen, to give him these things, so that he is not worrying and bothered about what is going to happen if he gets sick and leaves and goes to some other place to try to improve his condition. We get better efficiency and we get better results in a business that will adopt those methods. I am satisfied, and I am satisfied that 95 per cent of our directors are satisfied, that it brings about that result. If you wish to eliminate the humane side of it entirely, they will agree, of course, within reason, as to what the size of the pension should be, how to look after these men, and how to get a better efficiency. It is the workman who comes and works three months and then goes some place else and works another three months, even the unskilled laborer—it takes him some time to get acquainted with things and know how they should be done.

Commissioner GARRETSON. Eliminate the humanitarianism and good business. Take an interest like the railways.

Mr. GUGGENHEIM. Yes.

Commissioner GARRETSON. Crippling 500,000 men a year.

Mr. GUGGENHEIM. Yes.

Commissioner GARRETSON. In the absence of humane legislation, social legislation, insurance, are not those men thrown onto the public to support if the employer who crippled them fails to take up the burden?

Mr. GUGGENHEIM. There is no doubt about it.

Commissioner GARRETSON. Therefore, is not the underlying idea of all such social legislation the guarding against the exploiting of the public by the employer in the pursuit of his business unconscious exploitation?

Mr. GUGGENHEIM. Yes; quite right; yes.

Commissioner GARRETSON. Then it is really the protection of the social body? Do you believe that they can ever attain their full measure of value, either to the social body or to the individual or to the employer until they have become universally under Government control and domination?

Mr. GUGGENHEIM. Well, I am a believer in Government control—

Commissioner GARRETSON. Yes.

Mr. GUGGENHEIM. I am a firm believer in that. Therefore those must be—that must be the conclusion of mind.

Commissioner GARRETSON. Have you noticed, or have you not, that a large part of the distrust of the laboring man of those measures, once put in by the employer alone, grows out of the thought you just mentioned, the three-month's man and the tenure of service, of their being applied as things, it is only done by the individual employer?

Mr. GUGGENHEIM. I do not quite grasp what you mean.

Commissioner GARRETSON. The man working 10 years for you gets the benefits, if at that time his period of service altogether ceases from any cause?

Mr. GUGGENHEIM. Gets the benefit?

Commissioner GARRETSON. The pension or insurance?

Mr. GUGGENHEIM. Yes.

Commissioner GARRETSON. And so on.

Mr. GUGGENHEIM. Yes, sir.

Commissioner GARRETSON. While the casualist who works the 10 years for 10 different employers gets none of the continuous benefits because his service has not been continuous?

Mr. GUGGENHEIM. That is practically correct, yes.

Commissioner GARRETSON. But he is exactly the same form of charge on the public, if he is crippled, as if he had all those things?

Mr. GUGGENHEIM. That is very true.

Commissioner GARRETSON. I gather from one of your statements that you consider the charities and philanthropies really only deal with effects, while we should go to the cause that creates the necessity?

Mr. GUGGENHEIM. Yes, sir.

Commissioner GARRETSON. You spoke of the envy that was a large element?

Mr. GUGGENHEIM. Yes.

Commissioner GARRETSON. In the creation of industrial unrest?

Mr. GUGGENHEIM. Yes, sir.

Commissioner GARRETSON. Have you ever differentiated between what might be termed legitimate and illegitimate envy—that is, justified and that that is not justified?

Mr. GUGGENHEIM. Oh, there is a great deal of it justified; only too much, unquestionably.

Commissioner GARRETSON. Take a time like the present, for instance, and bear in mind I am not using numbers that are in any way meant to approximate, I am only using round numbers, when a million men possibly are unable to buy bread for their wives on account of unemployment?

Mr. GUGGENHEIM. Yes.

Commissioner GARRETSON. Can anything create more industrial unrest than the exploiting of the fact that the representative of a great interest, of a great industry, who had squandered a million dollars in unwise gifts on his family?

Mr. GUGGENHEIM. Well, that is a justifiable cause for envy.

Commissioner GARRETSON. Could that be anything else than starting an anarchy factory?

Mr. GUGGENHEIM. No; it would, in part.

Commissioner GARRETSON. That is all, Mr. Chairman.

Chairman WALSH. Commissioner Weinstock would like to ask some questions.

Commissioner WEINSTOCK. Mr. Guggenheim, from your liberal views you have expressed in dealing in the matter of labor, I gather that among other things you are in favor of industrial democracy?

Mr. GUGGENHEIM. Yes.

Commissioner WEINSTOCK. Now, will you explain to the commission, Mr. Guggenheim, how you would go about to establish industrial democracy? What would be the first thing to do and what would be the second thing to do, and so on, that industrial democracy may be realized?

Mr. GUGGENHEIM. That is a question I could not answer here offhand. That is a subject that requires a great deal of thought and study. Generally speaking, Commissioner Weinstock, I am in favor of that being brought about by cooperation of the Federal Government, of the State government, the employer, and the employee. In that way I think if the laws were properly enacted, I think we would very much improve the conditions of the people by legislation.

Commissioner WEINSTOCK. Well, now, let us make sure that you and I understand alike. What is meant by industrial democracy?

Mr. GUGGENHEIM. What is your view?

Commissioner WEINSTOCK. Will you be good enough to tell me what your definition is of industrial democracy?

Mr. GUGGENHEIM. Well, my understanding of that in the broad sense is the man that performs the labor has got something to say.

Commissioner WEINSTOCK. Has a voice?

Mr. GUGGENHEIM. Has a voice in the matter, and it has been very fortunate that he has had a voice in the matter, otherwise we would not have had these compensation laws which are now being enacted throughout the Nation. If there had never been any unrest, there would never have been much of that brought about for the worker. In no instance have we refused where it is elective to go under the elective compensation laws. And that is one thing. It is simply a beginning. We have only started, in my judgment, to do these things, because if that awakening occurs among our people as it has been taking place in other countries, like England and Germany many years ago, I think we have been very much behind the times, but, fortunately, it is coming. It is never too late to do good, and so, fortunately, it is coming.

Commissioner WEINSTOCK. Well, under a common condition of industrial democracy, then, the worker would have a voice in the fixing of his wage, the fixing of his working hours, and in the determination of his working conditions?



Mr. GUGGENHEIM. Yes; he should have that voice.

Commissioner WEINSTOCK. Now, with that end in view, with that as the objective—

Mr. GUGGENHEIM. Yes.

Commissioner WEINSTOCK. What ought the employers of to-day to do?

Mr. GUGGENHEIM. Well, I am a firm believer—if the employee has a voice and can dictate to the employer, both parties are going to strive to get the best bargain that they can make, and it is only natural. Now, I prefer the conciliator as the better method than that of the compulsory arbitration. But they will never get together if both parties are equally powerful, which is a matter of course, and the result is disastrous and brings on more misfortunes to both parties to the affair. Therefore I believe that we will have to find some way of settling the question than either—I have always felt that the conciliator could do a great deal better work than what the compulsory arbitrator could do. But if nothing else could be found, I know of nothing then, but it would have to be compulsory arbitration.

Commissioner WEINSTOCK. Can the worker, so far as you know, Mr. Guggenheim, as an individual, pure and simple, hope by his individual efforts to establish industrial democracy?

Mr. GUGGENHEIM. No; I don't think he can as an individual.

Commissioner WEINSTOCK. It has got to be done collectively?

Mr. GUGGENHEIM. Collectively, and then through legislation, because if it is done through legislation, then it is prescribed and you can do away with the conciliator, you can do away with the arbitrator, the compulsory arbitrator. That is why I favor legislation.

Commissioner WEINSTOCK. Does that lead us, then, to the point where it is made plain if the worker hopes to see industrial democracy established that his first step must be along the lines of organization in order to get collective action?

Mr. GUGGENHEIM. Absolutely; he has got to organize.

Commissioner WEINSTOCK. He has got to organize?

Mr. GUGGENHEIM. Otherwise he can not accomplish his object.

Commissioner WEINSTOCK. Well, on the other hand, what do you think, Mr. Guggenheim, should be the attitude of the employer, say the large employer, how should he recognize and deal with these collective bodies; do you think he should?

Mr. GUGGENHEIM. Absolutely.

Commissioner WEINSTOCK. He should?

Mr. GUGGENHEIM. Of course, you must not overlook the fact there are bound to be good organizations and bad organizations, the same as we have good trusts, so called, and bad trusts. But a good trust with people at the head, and also a good organization of labor, we have a great many in this country, and any public-spirited man or any citizen is proud of a good many of our labor organizations, and they have reason to be proud of them. They can always get together, in my judgment, and solve their difficulties and discuss their troubles and can dispose of them. But the difficulty is that there are a number of bad organizations or so-called bad trusts and bad employers at the same time. The superintendent at the plant takes an arbitrary position just the same as the workingman may take an arbitrary position. There is no one over him, and he does not have to refer to his board of directors; he simply goes to work and does as he pleases. And in the case of that kind it may be very disastrous—the result—and it becomes a question of the survival of the fittest. I do not believe in the survival of the fittest. That is something I do not approve of. There are others that do—numbers do approve of it.

Commissioner WEINSTOCK. May I ask what has been the policy of the corporation that you are connected with, Mr. Guggenheim; do you recognize bargaining with organized labor?

Mr. GUGGENHEIM. We have the so-called open shop. Anybody, any body of men can come to us, for we look upon our men and want to be fair and reasonable. Of course, we have to use some discretion in the organization to protect our operations. We have got to take care of our shareholders as well as our laborers. We have to view it from the broad standpoint.

Commissioner WEINSTOCK. Do your companies engage in collective bargaining?

Mr. GUGGENHEIM. We do not object to dealing with anybody. We do not discriminate in any manner, shape, or form. The men may come and treat with

us as an organization or as individuals, or two or three, or as a body, or representing the organization.

Commissioner WEINSTOCK. Do the companies that you are connected with enter into agreements, into written agreements, with labor bodies?

Mr. GUGGENHEIM. Well, we agree—oh, yes; we have done that; we agree to do that. Of course, very often these labor organizations have representatives.

Commissioner WEINSTOCK. Are any of those companies operating under labor agreements at this time?

Mr. GUGGENHEIM. No; not that I know of.

Commissioner WEINSTOCK. You have none?

Mr. GUGGENHEIM. No.

Commissioner WEINSTOCK. That is, at this time you are practicing practically individual bargaining?

Mr. GUGGENHEIM. We agree what we will do and live up to it, and if the laborer becomes dissatisfied he makes a kick.

Commissioner WEINSTOCK. At this time you are practically engaged in what would be called individual bargaining?

Mr. GUGGENHEIM. Yes.

Commissioner WEINSTOCK. You make a bargain with each individual worker?

Mr. GUGGENHEIM. It is not usually done that way.

Commissioner WEINSTOCK. What is the way?

Mr. GUGGENHEIM. They come in in groups, three or four, in case of trouble, for instance; and, of course, the individual worker can come in, if he happens to be a carpenter or a bricklayer, and say, "I would like to have more wages," and it is looked into.

Commissioner WEINSTOCK. But you deal with him as an individual?

Mr. GUGGENHEIM. We deal with him as an individual.

Commissioner WEINSTOCK. But you don't deal with them as an organization or organized body whatever? You do not have a committee who comes to see you in behalf of the men?

Mr. GUGGENHEIM. If they do come we receive them and give them every consideration.

Commissioner WEINSTOCK. But you deal with them collectively, or how?

Mr. GUGGENHEIM. We deal with them collectively, or if they come individually, or take them any way they want to come. There is absolutely no restriction in any way in our business that I am aware of. I would not permit it. I believe that the other fellow has got to be heard. I give our men such instructions. I believe it is very rarely that they do not live up to those instructions. It sometimes happens a man may be hot-headed, and, of course, when we find that out he is called down at once. We try to keep ourselves in touch with what is going on.

Commissioner WEINSTOCK. You say, Mr. Guggenheim, that your corporations are what are known as the open shop?

Mr. GUGGENHEIM. Yes; they are worked under that.

Commissioner WEINSTOCK. And that is, that there are different definitions by different people of what the open shop is. What is your idea—I wish you would tell what is your conception of it?

Mr. GUGGENHEIM. What I mean by the open shop is that we do not care whether a man belongs to a labor union or whether he does not. He comes to us for employment and we give it to him.

Commissioner WEINSTOCK. You do not bar the unionist?

Mr. GUGGENHEIM. We do not bar out anybody. We do not care. They may come and belong to the organization or not. They come for work. They are not discriminated against. I do not believe we have got a right to control a man any more than we have got to control what he eats or what he drinks. When he leaves our works that is his business.

Chairman WALSH. Commissioner O'Connell would like to ask a question.

Commissioner O'CONNELL. Mr. Guggenheim, has your company ever dealt with any particular organization of labor, made contracts with them?

Mr. GUGGENHEIM. I do not think we have, Mr. Commissioner. I am not aware of it. Of course, as I say, those are details which I personally would not be as familiar with as Dr. Neill, for instance, who has been in charge of that branch of the business for about a year and a half.

Commissioner O'CONNELL. Have you any knowledge as to whether there are any of your employees organized at the present time, Mr. Guggenheim?

Mr. GUGGENHEIM. Oh, yes; I am satisfied that a great many of them belong to unions. I know that, generally speaking.

Commissioner O'CONNELL. Have the employees taken any part in the settling of the present rate of wages or the hours of labor in your company?

Mr. GUGGENHEIM. The employees?

Commissioner O'CONNELL. Yes.

Mr. GUGGENHEIM. Well, I think—I presume we have. I know when we settled this trouble in New Jersey and at various plants, they say what they want and we consider it. If it is fair we give it to them. If we think we can afford to give them that wage we give it to them; and if we think we can not we bargain with them and tell them the best we can do. They have had a good deal to say as to that. Of course, at the present time the labor condition is not good because there is a surplus of labor; and just as soon as conditions improve and it is justified and the more labor to be performed, then he makes his demand and will get more for his labor if the conditions justify.

Commissioner O'CONNELL. The so-called open shop that Commissioner Weinstock just made inquiry about—

Mr. GUGGENHEIM (interrupting). Yes.

Commissioner O'CONNELL (continuing). Under the condition of the open shop the employee seeks employment regardless of whether he is a member of a union or not.

Mr. GUGGENHEIM. Yes.

Commissioner O'CONNELL. And he accepts employment from you on the conditions prevailing when he makes application for that employment?

Mr. GUGGENHEIM. Yes.

Commissioner O'CONNELL. And nobody prior to his employment, for him at least, has any part in the settling or making of the hours or the wage, but he simply walks into the plant under the conditions prevailing there that he had no part in whatever?

Mr. GUGGENHEIM. That is right.

Commissioner O'CONNELL. That is what we find in the so-called open shop?

Mr. GUGGENHEIM. Yes. Well, he would find that in any business for that matter—no, in the open shop. Yes, if it was unionized, there would be some conditions.

Commissioner O'CONNELL. Then he would be somewhat prepared for.

Mr. GUGGENHEIM. Yes.

Commissioner O'CONNELL. Under contract with somebody?

Mr. GUGGENHEIM. Yes, sir.

Commissioner O'CONNELL. And would know just exactly the thing he was going into—the conditions that had been in operation in that institution?

Mr. GUGGENHEIM. Yes, sir.

Commissioner O'CONNELL. As you stated in reference to the organizations in the railway service?

Mr. GUGGENHEIM. Yes.

Commissioner O'CONNELL. There are contracts made with the various organizations by practically all the railroads in the country?

Mr. GUGGENHEIM. Yes, sir.

Commissioner O'CONNELL. And a man who seeks employment knows exactly the conditions prevailing under the contractual relations existing between the employer and employee?

Mr. GUGGENHEIM. That does not exist with us. We have no such arrangements.

Commissioner O'CONNELL. The point I am trying to make is your explanation of the open shop—in that the employee has had no part as to having any say in so far as the wage or the hours or the conditions of employment are concerned which he is going to be employed under. Your firm have done that, have they not?

Mr. GUGGENHEIM. Yes; we have set the price.

Commissioner O'CONNELL. Set the price and the hours and the conditions under which he shall work?

Mr. GUGGENHEIM. Yes, sir.

Commissioner O'CONNELL. The job is there, and if he wants it he can have it, and if he don't want it he don't take it.

Mr. GUGGENHEIM. Yes, sir.

Commissioner O'CONNELL. That is the way of the open shop?

Mr. GUGGENHEIM. Yes, sir. That is the way it operates. Of course he can refuse to work if it does not suit him; and if we need more workmen, as is very often the case, we get them and we have to pay them higher wages. That regulates itself.

Commissioner O'CONNELL. Now, Mr. Guggenheim, the part I want to get at is, you spoke of the right of the workmen to organize and the benefits that have come in various ways from organization and association and all that?

Mr. GUGGENHEIM. Yes.

Commissioner O'CONNELL. Suppose I, as an individual workman, was employed in your plant?

Mr. GUGGENHEIM. Yes.

Commissioner O'CONNELL. And I got the idea in my head that I wanted the hours reduced an hour per day?

Mr. GUGGENHEIM. Yes.

Commissioner O'CONNELL. How would I be able to bring that reduction of hours of labor about, where there were several thousand workmen employed, in my individual capacity?

Mr. GUGGENHEIM. Mr. Commissioner, it would be very difficult as an individual.

Commissioner O'CONNELL. What would I have to do to succeed?

Mr. GUGGENHEIM. You would have to depend entirely upon the justice of the corporation that you started to work for, of their acceding to your terms after listening to your argument and considering whether they wanted to give to you and the balance of the men what you asked, and if they did not see fit they simply would not do it.

Commissioner O'CONNELL. Then, in turn, if I still wanted to secure that, what would be the best policy to pursue?

Mr. GUGGENHEIM. The best policy would be to take the men working there and get together and say, here, we want so much. Then it becomes a question of supply and demand. Then the capitalist says we will not accede to it or we will accede to it.

Commissioner O'CONNELL. If I hoped to succeed, I would have to try and induce my fellow shopmen to act collectively?

Mr. GUGGENHEIM. Without a doubt. A single individual would not likely, unless the men who listened to him felt that his request was fair, and they would endeavor to make a just decision if it looked reasonable to them after the presentation of the facts.

Commissioner O'CONNELL. Then, we come down to the point that the so-called open shop is a matter of individual dealing—the employer dealing with the individual—and the right of the individual to make his own contract with the employer?

Mr. GUGGENHEIM. What we do is this: We decide what is a fair return for the workmen and anybody can apply for that position upon those terms, and whether he is a member of an organization or not a member of an organization we have nothing to do with that. That is his individual affair. But we set the wage; what we think is reasonable and right and fair and just; and we say now we will be glad to have you work for us upon those terms and conditions, and if there are enough workmen that want the job they will go to work, and if we can not get enough workmen we will say, "Here, we have got to raise our wages, otherwise we won't get enough men to do this work." Other people are paying more, or we would have to bring them from other places, or we would have to go about it the best way we could to fill up our plant with workmen if we need the workmen.

Commissioner O'CONNELL. Have you had the experience or information of the result of investigation of any kind as to the effect that the operation of a so-called open shop has upon the organizations of the men, whether it leads to disorganization of them or furthers and strengthens organization, or what its effect is?

Mr. GUGGENHEIM. No; I have not studied that from that viewpoint. I have never studied that from that viewpoint at all; that would be my answer to that.

Commissioner O'CONNELL. If an individual workman in your plant was discharged for any alleged cause—

Mr. GUGGENHEIM (interrupting). Yes.

Commissioner O'CONNELL (continuing). There are thousands of reasons why men are discharged—as an individual working a great distance away from your New York office—

Mr. GUGGENHEIM (interrupting). Yes.

Commissioner O'CONNELL (continuing). What is his personal opportunity of getting an adjustment of his grievance, whether it be real or imaginary, to the extent of going up to you, for instance, in New York?

Mr. GUGGENHEIM. Well, he would have a great deal of difficulty, because he naturally would come under the superintendent or foreman who employed him.

Commissioner O'CONNELL. But isn't he restricted very materially, Mr. Guggenheim, probably by his financial affairs?

Mr. GUGGENHEIM. You are absolutely correct in assuming that, Mr. Commissioner. But this is what happens: We find if our superintendent or our foreman happens to be a man of no tact, or happens to be unfair, as sometimes we will happen to have unfair men in our various ramifications, because they are very extensive. We find in the course of time if that is an unfair man or an unreasonable man; we find it out in some way, either at the visitation of the plants by the executive committee somebody comes and tells them about this and tells them about that, and finally we learn that we have got an incompetent man at the head of that business. In other words, truth is mighty and will prevail. That is a proverb we can believe in, I think. And if our manager or the man in charge or the foreman happens to be unreasonable and treats the men badly, finally it will get out. Some one in the town or place tells us. But he has no opportunity and he couldn't get to the president or the board of directors and go over that man; that is, the workman can not.

Commissioner O'CONNELL. But, in the meantime, the men who have been discharged and lost positions have suffered?

Mr. GUGGENHEIM. Yes, sir; that is right; that is right. And then the company suffers also by the reason that it has got a bad manager and can not get the best men and is handicapped. And that will finally lead to the change and somebody else is put in. Now, these men, in answer to that, if they are so handicapped that they can not leave there, suffer; but in the course of time that would adjust itself. I know it does. I frequently get letters myself—but that is a very great exception—where I am asked to intercede and do this and do that; that a man has been unjustly discharged; and invariably I look into it and make thorough investigation and do not depend upon the man he complains of entirely, because I could not do him justice if I did that.

Commissioner O'CONNELL. Well, in our present highly developed industrial situation and the continued getting together of employers in the industrial world, larger and larger, I take it from what you say that the workman, if he desires that protection, he can not bring it to himself as quickly outside of the union as the union could, or legislative matters when brought up in the legislative way. His economic relief must be by his association, together with his fellow workman.

Mr. GUGGENHEIM. I believe that is correct. He will get quicker results. He will get undoubtedly quicker results, unless he is protected legislatively, or he will get quicker results by being a member of his organization.

Commissioner O'CONNELL. He will need the organization, from past experience, to see that the legislation enacted is put into effect.

Mr. GUGGENHEIM. That is why I believe in organization.

Commissioner O'CONNELL. He will need his economic organization either way?

Mr. GUGGENHEIM. Yes; he will get quicker results and better results with it; and I do not oppose organization, and neither do any men in our employ oppose them with our consent.

Commissioner O'CONNELL. Your company would be, as I understand, from an answer you made to Commissioner Weinstock, be favorable to meeting with an organization of your employees?

Mr. GUGGENHEIM. Yes, sir.

Commissioner O'CONNELL. I think you qualified that in your statement by saying good—

Mr. GUGGENHEIM (interrupting). I say—yes; I think it has got to be a good organization.

Commissioner O'CONNELL. I just want to get what you consider a good organization.

Mr. GUGGENHEIM. Well, a bad organization is a bad organization of men that are arbitrary and unreasonable, and men who make extraordinary demands upon you that you can not concede, and men who want things that are not fair and right, and men at the head of those organizations that will accomplish their object, no matter what the consequences are.

Commissioner O'CONNELL. Yes; but men come and go, like they do in the corporations.

Mr. GUGGENHEIM. Yes, sir; and I claim that the corporations are just as bad. We have a great many corporation heads, the heads of local plants and

corporations, who are arbitrary and do those things. Therefore, I believe we have gotten or will get better results from these big combinations and big organizations than we get from the smaller ones.

Commissioner O'CONNELL. Then, as I understand, it is the men at the head of the organizations rather than the organization that you speak of when you mean good?

Mr. GUGGENHEIM. Yes; the men at the head of the organizations, the same as there are leaders of the labor organizations, and the men at the head of the industrial enterprises. It all depends on which men run the business.

Commissioner WALSH. That is all, thank you, Mr. Guggenheim, unless there is something you desire to explain and amplify, or some voluntary statement that you would like to make.

Mr. GUGGENHEIM. The only thing I care to say, gentlemen, is that I am very much obliged by your courtesy, and any other information that you want I will be pleased to give it to you if it is within my knowledge.

Chairman WALSH. We will submit a written questionnaire to Dr. Neill later on.

Mr. GUGGENHEIM. Thank you very much, Mr. Chairman.

Chairman WALSH. The commission will take a recess for 10 minutes at this point.

(After a short recess the proceedings were resumed as follows:)

Mr. Berwind will please take the stand.

#### TESTIMONY OF MR. EDWARD J. BERWIND.

Chairman WALSH. Will you please state your name?

Mr. BERWIND. Edward J. Berwind.

Chairman WALSH. What is your business, please?

Mr. BERWIND. I am president of various coal companies and a director in a great many railroad corporations.

Chairman WALSH. Where is your place of residence?

Mr. BERWIND. 2 East Fifty-fourth Street, New York City.

Chairman WALSH. How long have you resided in New York?

Mr. BERWIND. About 39 years.

Chairman WALSH. I will ask you, first, Mr. Berwind, to please indicate in the record the companies in which you are a director, that are engaged in the mining of coal alone.

Mr. BERWIND. I am president and director in—shall I mention the companies?

Chairman WALSH. Yes, please—the coal companies?

Mr. BERWIND. The Berwind-White Coal Mining Co., the Wilmore Coal Co., the Ocean Coal Co., the New River & Pocahontas Coal & Coke Co., and the Kentland Coal Co.

Chairman WALSH. Will you please indicate at what points the companies in which you are connected as a director operate coal mines?

Mr. BERWIND. They operate in Pennsylvania and in West Virginia, and the property of which I am the owner in Kentucky are not now operating. That is more of a land operation, but still the property is there—not developed.

Chairman WALSH. Then you are operating in no States of the Union now except Pennsylvania and West Virginia?

Mr. BERWIND. Pennsylvania and West Virginia.

Chairman WALSH. Have you any property in Colorado?

Mr. BERWIND. No, sir.

Chairman WALSH. Have you ever had?

Mr. BERWIND. I was president of the Colorado Fuel & Iron Co. in 1880 to 1890, and have not been since.

Chairman WALSH. And you have not been there since?

Mr. BERWIND. I have no interests there whatever.

Chairman WALSH. How many employees would you say you have ordinarily in your coal industries in the places you have indicated?

Mr. BERWIND. Well, I should think from 10,000 to 12,000.

Chairman WALSH. Is that the maximum?

Mr. BERWIND. I should think so; yes. I could not tell you exactly, but approximately.

Chairman WALSH. How many mines have you in the States of West Virginia and Pennsylvania?

Mr. BERWIND. I could not state it accurately, but I could state it approximately.

Chairman WALSH. Well, approximately?

Mr. BERWIND. I should think about 35.

Chairman WALSH. Now, I will ask you first how many directors in your coal company—in each company?

Mr. BERWIND. There are about five in each—four to five. Some cases four and some five.

Chairman WALSH. And do the directors in your companies keep in touch with the labor conditions in the various mines?

Mr. BERWIND. Yes; because the directors are the officers, and the officers and directors are the owners of the company. It is a close corporation—all of them.

Chairman WALSH. You have no executive committee?

Mr. BERWIND. No executive committee. The owners of the property are the managers of the enterprises.

Chairman WALSH. Now, what is the attitude of the coal companies, or the policy of your coal companies, with reference to dealing with the men employed in the industry collectively?

Mr. BERWIND. Our policy is to adhere strictly to the mining laws of the States in which we operate, to commence with—to carry out fully and liberally all arrangements with the men, and to give them the greatest amount of consideration in the way of welfare and in other directions that is consistent with the competition we have to meet.

Chairman WALSH. How do you deal with the men generally? Do you deal with them collectively or individually?

Mr. BERWIND. I think—that is a question that I can not answer absolutely, but approximately. The men—we have very efficient officers. In other words, we select the best managers we can find, men who are not only accustomed to the handling of labor, but men who understand the conditions of mining, understand the relations of labor with capital in this particular way—in the way of coal mining. Now, the men have access, through their superintendents and bosses to the managers at the mines of which there is a manager in each mine. If they have any grievance, that grievance is immediately looked into, and if that grievance has a basis it is carried to a conclusion and rectified. If it has no basis, it is dropped.

Chairman WALSH. Do you make contracts with any labor organizations in your industry?

Mr. BERWIND. No, sir.

Chairman WALSH. Have you ever made contracts with any labor organization, say, during the past 10 years?

Mr. BERWIND. No, sir.

Chairman WALSH. Does any labor organization have locals in your field—

Mr. BERWIND (interrupting). I don't understand the question.

Chairman WALSH (continuing). I will put the question in another form. Any mines in which considerable numbers of your employees belong to labor organizations?

Mr. BERWIND. Well, we have reason to believe there are more or less of those men among our men.

Chairman WALSH. Is there any discrimination made in the employment of men?

Mr. BERWIND. None at all.

Chairman WALSH. With reference to the fact as to whether or not they belong to labor organizations?

Mr. BERWIND. No, sir.

Chairman WALSH. Are you a director in companies other than the ones you have mentioned?

Mr. BERWIND. In coal companies?

Chairman WALSH. In other businesses. I have left that for the moment.

Mr. BERWIND. Yes; I am a director in the Erie Railway. I am a director in the Atchison, Topeka & Santa Fe Railway. I am a director in the Interborough, and a director in various banks here—bank and trust companies.

Chairman WALSH. And steamship lines?

Mr. BERWIND. And a director in steamship lines.

Chairman WALSH. The Atlantic Gulf & West India Steamship Lines?

Mr. BERWIND. Yes, sir; and in the International Mercantile Marine.

Chairman WALSH. Are you connected with the Berwind National Bank, of Berwind, Pa.?

Mr. BERWIND. Yes, sir; I have an ownership in that.

Chairman WALSH. Are you a director in it?

Mr. BERWIND. A director; yes.

Chairman WALSH. The Clyde Steamship Co.?

Mr. BERWIND. Yes, sir.

Chairman WALSH. A director?

Mr. BERWIND. Yes, sir.

Chairman WALSH. The Cuba Co.?

Mr. BERWIND. Yes, sir.

Chairman WALSH. You have mentioned the Erie. The Habana Coal Co.?

Mr. BERWIND. Yes, sir. But those companies you have just mentioned, the Cuba Co. and the Habana Co., do not operate in this country. So I hardly judge—

Chairman WALSH (interrupting). Yes; I judge that is so from the names. What is the International Coal Co.?

Mr. BERWIND. The International Coal Co. is a concern we organized to have dealings with the West Indies particularly and Mexico.

Chairman WALSH. Are you a director in that?

Mr. BERWIND. Yes.

Chairman WALSH. And the International Mercantile Marine Co.?

Mr. BERWIND. Yes, sir.

Chairman WALSH. The New River & Pocahontas Coal Co.?

Mr. BERWIND. Yes, sir.

Chairman WALSH. Where does that operate?

Mr. BERWIND. That operates in West Virginia on—all our properties in West Virginia are on the Chesapeake & Ohio or the Norfolk & Western.

Chairman WALSH. You are also president of the company?

Mr. BERWIND. Yes, sir.

Chairman WALSH. The New York & Long Island Traction Co.?

Mr. BERWIND. Yes, sir.

Chairman WALSH. A director?

Mr. BERWIND. Yes, sir.

Chairman WALSH. The New York & Queens County Railway?

Mr. BERWIND. Yes, sir.

Chairman WALSH. The New York Railways Co.?

Mr. BERWIND. Yes, sir.

Chairman WALSH. The Ocean Coal Co.?

Mr. BERWIND. Yes.

Chairman WALSH. What is that company?

Mr. BERWIND. The Ocean Coal Co. is a company which own properties in Westmoreland County, Pa.—miners of gas coal.

Chairman WALSH. The Rapid Transit Subway Construction Co. Is that a New York company?

Mr. BERWIND. Yes, sir.

Chairman WALSH. The Republic Iron & Steel Co.?

Mr. BERWIND. Yes, sir.

Chairman WALSH. The Santa Fe, Prescott & Phoenix Railway Co.?

Mr. BERWIND. Yes, sir. That is a branch of the Atchison; that is a subsidiary company—the Atchison, Topeka & Santa Fe Railway Co., to be more clear.

Chairman WALSH. The Subway Realty Co.?

Mr. BERWIND. The Subway Realty Co., yes.

Chairman WALSH. The St. Louis, Toledo & Western Railroad?

Mr. BERWIND. Yes, a director.

Chairman WALSH. What is the Wilmore Coal Co.?

Mr. BERWIND. That is a company owning a large body of land in Cambria and Somerset Counties, Pa., and not operating, but a company which leases these lands and is a realty company—more of a realty company. It leases the lands to the operating companies and builds the houses and advances money, those purposes.

Chairman WALSH. In what corporations do you own or represent any considerable amount of stock other than those which I have mentioned to you?

Mr. BERWIND. Well, I do not—in all these companies you have mentioned?

Chairman WALSH. Yes.

Mr. BERWIND. I don't think I have very much outside of those in the way of the ownership of stocks, I mean in smaller concerns not of much importance, or not a very large holding of stock.



Chairman WALSH. What information do you possess concerning labor conditions in the coal corporation; first, how is that information acquired?

Mr. BERWIND. In the which?

Chairman WALSH. In the coal corporation, in the actual operating.

Mr. BERWIND. You mean my own companies?

Chairman WALSH. Yes; your own companies.

Mr. BERWIND. Well, our organization is this: The coal companies are all owned by four individuals, and hence we, the owners of that corporation, and its officers, and its directors, and the operating department, keep in touch daily by telegraph, telephone, and by mail with its properties, and all information comes through the general managers of the properties to the main offices—to the operating offices in Philadelphia, and then there are frequent visits by the officers of the corporations to these various properties.

Chairman WALSH. Are reports from time to time as to the condition of labor in the industry made in writing to the corporation?

Mr. BERWIND. Well, not made perhaps in the report form that it would be in a corporation where we had miscellaneous stockholders; but it is all in the form of correspondence from day to day. It is constant.

Chairman WALSH. I repeat. What is the extent of the practice you say you have of visiting the plants of the corporation in which you are interested?

Mr. BERWIND. Oh, our officers visit the plants, I should say, 6, 7, or 8, or 10 times a year, as often as may be necessary; sometimes oftener and sometimes less.

Chairman WALSH. What is your practice?

Mr. BERWIND. My own practice is not as often as I ought to go.

Chairman WALSH. How frequently would you say you had visited them within the past year?

Mr. BERWIND. I have not visited any in the last year.

Chairman WALSH. Well, now, who did that sort of work for your company in the past year, what individual?

Mr. BERWIND. The vice president of the company and the general manager in Philadelphia.

Chairman WALSH. What are their names?

Mr. BERWIND. Mr. Henry Berwind and Mr. Thomas Fisher.

Chairman WALSH. How long has it been, Mr. Berwind, since you did make such an inspection, if you have done that part of the work yourself at any time?

Mr. BERWIND. I made those inspections within two years. I suppose I have made those inspections, going out to most of the properties, within, say, two years, and before that at intervals, not so large, but the last two years I have been away a good deal.

Chairman WALSH. In your opinion, to what extent are the directors of the corporation responsible for the laboring conditions in them, regardless of the residence of the director?

Mr. BERWIND. How far are they responsible?

Chairman WALSH. Yes; for the labor conditions in the industries in which they are directors.

Mr. BERWIND. My view is this: That the general directors of companies are not, as a rule, familiar with the labor operations; that is, men who invest money in corporations generally, and stockholders are not generally familiar with labor operations. Those directors who are most likely to look into the labor operations of the corporations of which they are directors, but the man who is ignorant of it, I think, rather refrains from expressing any views about it, trusting to the efficiency of the personnel, the official personnel of the railroads and the reports of the president to the board in general. That varies to some extent, in my—personally I do look into labor conditions, more or less, in all the corporations I am in, because I have been more or less associated with labor matters the last 30 or 40 years. But I do not think that is general with directors.

Chairman WALSH. Is it desirable that the directors should have a sense of responsibility and should have an organization within the industry to keep in constant touch with labor conditions?

Mr. BERWIND. I do not think—I think it would produce confusion.

Chairman WALSH. So that it should be done in what manner, according to your ideas?

Mr. BERWIND. I think it ought to be done; I think reports, full reports, should be given, or collected, by the managers of the railroads or of the corporations who employ labor. Those reports are then put together and brought to the executive officers of the concern. They are discussed in detail by them, in full

detail. Then, when they are brought before the board, if anything is brought up with regard to labor, the board can decide anything that is of importance enough for them to make a change from what has been the practice, from the complete details. Details are concretely stated, with the reasons for and against, as a rule, and the board then pass their opinion. It is generally left to the executive officer of the concern; that is, the president and the manager.

Chairman WALSH. So that the logic might be that the board of directors would lay out the general plan and establish standards of labor conditions as they do with all other things, and the details should be left to the officers in charge of the particular industry?

Mr. BERWIND. I do not think the directors are competent to lay out the general plan. I think that rests with the staff to lay out the general plan and submit that to the board of directors for their consideration.

Chairman WALSH. And the directors—

Mr. BERWIND (interrupting). Would know what—

Chairman WALSH (continuing). Would have the last say on the plan, and decide that.

Mr. BERWIND. That is true.

Chairman WALSH. They would have to, of course, obtain information just according to their own conscience before they would pass upon it, of course?

Mr. BERWIND. Yes; but I think the majority of men who are directors in concerns are not so educated and have not had the experience to pass upon the details of labor, the employment of labor, either upon railroads or in large industrial corporations, only on the general plan.

Chairman WALSH. Well, from that standard, then, and according to your own standards, I am going to ask you a few questions covering specific points as to what you deem proper labor conditions. First, what should be the length of the working day?

Mr. BERWIND. Well, that would depend a good deal on the kind of enterprise that the people were engaged in.

Chairman WALSH. Well, we will confine it to yours. I would like you to say it freely without regard to any condition that may exist in any particular place, of course.

Mr. BERWIND. Well, I will preface my answer by making an explanation—

Chairman WALSH. Certainly.

Mr. BERWIND (continuing). That in my own business we pay by the ton, and therefore the number of hours that the men work is very largely dependent upon their wishes in the matters. So that the question of the length of the laboring day does not enter into it.

Chairman WALSH. That is from the money standpoint?

Mr. BERWIND. Well, yes; from the money standpoint; yes; it continues into that. They get paid exactly for what they do. In other words, they choose their own length of hours.

Chairman WALSH. My suggestion was, it makes no difference to the workman as to the piecework, but what I was asking and directing your attention to was to the proposition generally regardless of the economic advantage of the worker, or of the employer, what should be the length of a working day for a laborer or a worker engaged in the coal-mining industry?

Mr. BERWIND. Well, I think—I should think nine hours a day.

Chairman WALSH. What should the yearly income be, under present conditions, for an unskilled workman?

Mr. BERWIND. I will answer that by saying—I will answer that by telling you what they are in my concern. I would not like to pass on what they ought to be in other concerns; that depends very much on conditions.

Chairman WALSH. The yearly income, then, in your concern for unskilled labor?

Mr. BERWIND. Men laboring in our concerns can earn from \$3 to \$5 a day every day of their lives and not work over eight hours.

Chairman WALSH. Unskilled labor?

Mr. BERWIND. Ordinary mining labor.

Chairman WALSH. That is, the coal digger?

Mr. BERWIND. The coal digger.

Chairman WALSH. Now, are there other forms of manual labor than coal diggers in your industry?

Mr. BERWIND. Yes; of course, the collateral men that haul the coal, you know, and the electricians and the drivers and the dumpers, and so forth.

Chairman WALSH. What do you think the yearly income for unskilled workmen should be, I mean other than coal diggers, the minimum, I will say, the minimum yearly income?

Mr. BERWIND. That would be a pretty hard question for me to answer, sir; I could not do that.

Chairman WALSH. What is the minimum yearly income in your industry?

Mr. BERWIND. I do not know.

Chairman WALSH. For unskilled labor other than the coal digger?

Mr. BERWIND. I have not those figures before me, but I will be very glad to put them before you if I have them. I know they are very satisfactory.

Chairman WALSH. Will you submit them to us?

Mr. BERWIND. I will be very glad to give you the general average of them.

(See Berwind exhibit.)

Chairman WALSH. You could not approximate it here at this time?

Mr. BERWIND. I could not at this time, but I will tell you this, in connection with it, which may interest you, that for 25 years we have been unable to work our mine at capacity because the men would not work the hours. In other words, we had 26 days work in the month and we rarely could get over 19 days from the men, between various holidays and funerals and pay days and the day after pay day, cut us down in our work. [Laughter.]

Chairman WALSH. Please do not give expression to your feelings. We can not allow that.

Mr. BERWIND. And the result of that has been that our operations under those conditions do not get the maximum result, as you can see. So that we do not intend—I am saying this with nothing derogatory to the men, it is perfectly right if they want to work 19 days, that is their affair; but it shows that the earnings from those 19 days are sufficient and satisfactory to those men, or they would have worked 26 days, because they were not restrained by us from working 26 days. That is not true at the present time, I understand, but that has been true until within the last six months, for many years.

Chairman WALSH. With regard to compensation for industrial accidents, what would be the proper compensation under the present form in your industry to a workman who was to lose an arm, we will say?

Mr. BERWIND. I couldn't say anything in regard to that, because I have not gone into it. That is in the operating department in Philadelphia. They attend to all those matters.

Chairman WALSH. It has never been passed up to you?

Mr. BERWIND. Never been passed to me. We have our standard arrangements; we comply with the price—advanced ideas of compensation generally and recompensation for accidents.

Chairman WALSH. I have a number of details, as to the loss of an eye, the loss of life, and so forth. Would your answer be the same as to that, that you did not have the details?

Mr. BERWIND. No; I am not posted. I might do injustice to the subject and myself by making the statement.

Chairman WALSH. You say you have a very definite standard of compensation for accidents?

Mr. BERWIND. I did not say very definite. I said it was a very broad, fair one.

Chairman WALSH. A broad, fair one?

Mr. BERWIND. The policy of our company is to deal absolutely fairly with the men in everything, and I think you will—I was going to say that we hold that reputation.

Chairman WALSH. And how is that—is that with reference to legal liability or not?

Mr. BERWIND. With reference to everything, everything in our dealings, in our relations with our people; our relations with our people are very satisfactory.

Chairman WALSH. At the present time I am confining it to the question of compensation for industrial accidents.

Mr. BERWIND. And I am not well posted about that and I would rather not pass any opinion.

Chairman WALSH. Could you submit a statement to the commission that would give it some information on the broad policy of the company with reference to the amount of compensation, for instance, for the loss of an arm, or the loss of both eyes, or the loss of a life, or permanent disability?

Mr. BERWIND. I do not know whether I could do that, but I will see whether I can do it, with great pleasure.

Chairman WALSH. If you would, I wish you would do so, Mr. Berwind.

Mr. BERWIND. All right.

(See Berwind exhibit.)

Chairman WALSH. What is your opinion as to the age and condition under which children should be employed in your industry?

Mr. BERWIND. I have no opinion on that. We do not employ them.

Chairman WALSH. What is your opinion as to the discharge of workmen who have become inefficient after long service in any industry?

Mr. BERWIND. My own view is that people who have been long in the service and have rendered good service, they should be taken care of in some way. I do not know that we have paid any special attention, but I think we have under the mining laws and under the compensation law of the State, that has all been provided for—the States we are operating in.

Chairman WALSH. What is your opinion as to the alleged policy of refusing to employ unskilled workmen who are over 35 years of age or skilled workmen who are over 45 years of age?

Mr. BERWIND. Well, I do not think we have ever established any policy. We take any man that is competent to work, who does his work, without regard to his age.

Chairman WALSH. What should be done, if you have any opinion on the subject, with reference to the care of persons who have passed the real productive point in age?

Mr. BERWIND. I think that varies with conditions and with the kind of labor that is done and a good many other considerations.

Chairman WALSH. Do you believe that machinery could be established in any industry or by cooperation of industry with the governmental agencies, or any other way to take care of such things as that, or is it advisable to do so, in your opinion?

Mr. BERWIND. I think anything is advisable to do that has an element of fairness in it, whatever that may be; if there is an element of fairness in this compensation, it seems to me there is, I think, a way could be found that might be the solution of it. But I have never given any study to it and I would not like to express an opinion on something I have not looked into myself.

Chairman WALSH. You have not looked into the question of social insurance, what might be called betterment insurance?

Mr. BERWIND. No.

Chairman WALSH. What is the Berwind-White Coal Co.?

Mr. BERWIND. The Berwind-White Coal Mining Co. is a company that operates in Cambria, Somerset, and Clearfield Counties, Pa.

Chairman WALSH. What is the number of men employed by that company?

Mr. BERWIND. Well, offhand, I should say six or eight thousand men—between those figures.

Chairman WALSH. What is your scale of wages, monthly or annually, in that company?

Mr. BERWIND. The wages are established by the—there is a rate per ton for mining.

Chairman WALSH. How much per ton?

Mr. BERWIND. I think it is 60 cents a ton, is the flat rate. I think so. I did not come prepared with those statistics or I would have had them in mind.

Chairman WALSH. Those that you are not prepared with, I will ask you to kindly furnish to the commission.

Mr. BERWIND. We will give you any of that information, because it is all open to you.

(See Berwind exhibit.)

Chairman WALSH. Who establishes the price per ton to be paid to the employee?

Mr. BERWIND. Well, just where that is established is in this way: In the first place, the miners' union in a great measure in this country have made the scale uniform throughout the various States, and although we do not work with the union, we take their scale of wages as our basis of operation. That is brought about by the laws of supply and demand. They change. They have not changed now for some years. They have advanced; that is, they have been advanced in the last 10 years very considerably, but there has been no recession in them. Of course, the cost of mining is a very important factor in the markets

for coal. That depends on what you can get for your coal in the first place; and in the second place, very largely on the supply of labor. We do not change our labor from day to day, from week to week, from month to month. These changes in the rate of labor come along at intervals of some distance apart. Those are brought about generally by trouble in some district bringing the matter up before all the different managements for their consideration, and they decide whether or not they can pay the wages.

Chairman WALSH. What are the hours of labor in the Berwind White Coal Co. plant?

Mr. BERWIND. Well, as I say, they are largely dependent on the operators themselves. They are paid by the ton. They can work as many hours in the day as they see fit. The thing we try to secure is the men that will work the greatest number of hours. And if a man will not work a certain number of hours we try to find men who will.

Chairman WALSH. What is that minimum?

Mr. BERWIND. We have no minimum fixed that I know.

Chairman WALSH. What is the certain number of hours you think proper for the men to work.

Mr. BERWIND. I think all men should work six or seven hours, and the miner ought to work at least eight hours a day, seven or eight hours. It is about the average day's work in the mining.

Chairman WALSH. Do you have laborers who do not work by the piece?

Mr. BERWIND. Yes. I have been saying the drivers, the dumpers, and the unskilled labor.

Chairman WALSH. What are the working hours of those?

Mr. BERWIND. I think, if I recollect right, their working hours are nine hours. I think so. But I will be more definite if you will just give me a memorandum of what information you want.

(See Berwind exhibit.)

Chairman WALSH. I will. We will call upon you for that information definitely. I wish you would describe the living conditions of your employees, whether they own their own homes, whether they rent them, and if they rent them who they rent them from, etc.

Mr. BERWIND. Yes. The living conditions of the miners in our district are very good, and it may be said to be rather better than the average throughout any mining region. The miners very often, in many cases, own their properties, are always at liberty to buy their properties, and the company builds the houses and tries to build them in a way which would be of advantage for the general good of the men in the mining regions. They are charged a minimum rent on a very small percentage, and as a rule these houses are open to them to purchase either by installment or any plan which is mutually satisfactory.

Chairman WALSH. What is the minimum rent and what is the percentage that it is figured upon?

Mr. BERWIND. That is another technical question I would have to ask you to put it in your list.

(See Berwind exhibit.)

Chairman WALSH. Could you tell, for instance, how much per room is charged where a house is rented?

Mr. BERWIND. No; I could not do that.

Chairman WALSH. Are the charges uniform for different parts of the country?

Mr. BERWIND. Well, they are where we operate.

Chairman WALSH. I mean where you are personally acquainted with it.

Mr. BERWIND. Yes.

Chairman WALSH. Do you operate companies' stores?

Mr. BERWIND. No.

Chairman WALSH. Does any subsidiary company in which you are interested operate companies' stores?

Mr. BERWIND. No. When you say I am interested, I have got some interest in—when we open our properties you will bear in mind that this is a very rough and unpopulated country generally where we operate, and it becomes necessary for a company to start a store or something to facilitate the putting up of their plants; but as soon as they have obtained to a magnitude of any amount those are disposed of, and we exercise no influence on them in any way. The men are absolutely at liberty to buy anywhere or everywhere they want, and nobody is restricted from going in and selling anything they please. They have the fullest access to obtain property and to have their homes and every-

thing else of that kind. We, in fact, only look upon the stores as a convenience for our men, and where we do anything in that regard we exercise our influence to keep the prices down and not advance.

Chairman WALSH. You have no such stores now at any of your properties?

Mr. BERWIND. No.

Chairman WALSH. Or no other company?

Mr. BERWIND. None of those companies.

Chairman WALSH. And no company stores or anything of that sort?

Mr. BERWIND. No.

Chairman WALSH. Have you had any strikes in your industry during the past five years?

Mr. BERWIND. Yes; we had a strike in our Westmoreland property some three or four years ago, and we had a temporary holdup, I think, about three years ago in our Cambria County mines, but it was nothing of any importance—nothing of any length.

Chairman WALSH. Are those the only two in the past five years?

Mr. BERWIND. I think so.

Chairman WALSH. You have been present at many meetings, I suppose, of your board of directors where labor policies to be pursued by the corporation have been discussed?

Mr. BERWIND. I was going to say we are together very constantly, because, as I say, the officers are the board of directors, so that you may say my company is constantly at a meeting, and those questions come up.

Chairman WALSH. Would the minutes of your board of directors indicate any established policy on the part of the directors in regard to labor policies?

Mr. BERWIND. No. That is all in our general correspondence.

Chairman WALSH. And information as to conditions, how they were determined, would be as you have already stated?

Mr. BERWIND. Yes.

Chairman WALSH. Do you decide labor policies in your industry upon the same basis as you decide other financial policies?

Mr. BERWIND. Will you ask that question again?

Chairman WALSH. Do you decide labor policies in your industry the same as you decide financial policies?

Mr. BERWIND. Well, no, no; financial policies are very changeable commodities, you know, and vary from time to time; but labor policy is fixed with us, because it must be. We can not vary a labor policy from day to day. We must have a certain general outline for conducting our business. That is arrived at in the way I explained to you earlier. The bosses plus the managers of the properties—that is, the superintendents—report to the general manager, and the general manager is on the spot, he knows immediately what is going on, and goes immediately and attends to all the difficulties that are involved and settles them on the spot. If there is any change of wage about to take place, that of course comes to us immediately, as officers of the company; and as the officers are the directors, too, of course, then, in that way that question comes up.

Chairman WALSH. At this point, Mr. Berwind, we will take an adjournment until 2.30 this afternoon. Will you please return at that time?

(At 12.30 of this Thursday, January 21, 1915, a recess was taken until 2.30 in the afternoon of the same day at the same place.)

AFTER RECESS—2.30 P. M.

Present as before.

Chairman WALSH. Will the house please come to order, and preserve perfect order; we are about to resume.

#### TESTIMONY OF MR. EDWARD J. BERWIND—Continued.

Chairman WALSH. Are there any corporations, Mr. Berwind, in which you are director—in any of the corporations of which you are a director is there an organization of the employees?

Mr. BERWIND. I do not know whether there are any local organizations among them or not; we never inquire into that at all.

Chairman WALSH. Have there ever been to your knowledge?

Mr. BERWIND. Yes; I know there were a great many years ago—they were in the general organizations of labor, you know.

Chairman WALSH. Yes.

Mr. BERWIND. But not of late years; not for 10 or 12 years or more.

Chairman WALSH. What were the effects of such organizations, in so far as you were informed? Did you form any opinion as to the desirability or undesirability of dealing with employes in organizations?

Mr. BERWIND. No—our experience has taught us that we dealt better with our employees direct.

Chairman WALSH. What is your opinion as to the effect upon the employees well-being? Is he better off organized so that he may deal collectively, or otherwise?

Mr. BERWIND. I can only say that a rigid inquiry into the situation will show that our men—our mining situation in our own properties is considered the best in the State of Pennsylvania. That is my answer to it, and we are not organized.

Chairman WALSH. How as to the general effect, such as the suggestion which you made prior to lunch, for instance, that the standard of wages was fixed by those industries in which there was organization; is that correct?

Mr. BERWIND. The organizations approve of certain rates of wages. Those are generally promulgated and they become the working rates throughout the districts where they are in operation.

Chairman WALSH. Have you ever made a study of that condition to determine how it happens that when the union sets a price for mining coal that the organizations in which there are no union mines, or in which they are divided among union or nonunion, always adopt the same price?

Mr. BERWIND. It has been the practice of my company to pay the highest wages paid; that has been its practice, to pay the highest regular wage paid. I can not possibly comment in any other way than that. We are willing to pay the highest wage, but we do not want to be dominated by any outside influence in our business.

Chairman WALSH. Suppose the wage dropped to quite a low level under the competitive conditions you have—

Mr. BERWIND (interrupting). Yes.

Chairman WALSH. You would be required to drop yours?

Mr. BERWIND. Yes, sir; competition has always a ruling effect in our wages.

Chairman WALSH. Would it be your idea that the fixing of wages by the unions in those industries in which organization does exist would fix the price in all industry?

Mr. BERWIND. I do not say it fixes the price.

Chairman WALSH. In all plants in that industry, I should say?

Mr. BERWIND. It is a potent factor in it. They do not fix it, but the contention raised is a fair wage, and they arrive at a conclusion and that is always satisfactory to us and we pay it.

Chairman WALSH. What is your attitude toward allowing representatives of labor unions to visit your employees and carry on their work among them?

Mr. BERWIND. Personally I am opposed to it, for the reason that they stimulate trouble among people who are satisfied, and I do not see why they should be stimulated to trouble.

Chairman WALSH. Does that go all through industry?

Mr. BERWIND. I do not say all industry, but in our industry where we pay the largest wages and the welfare of our men is the best—while we do not oppose it, I do not think it is a good thing to have the advocates of labor come in there to stimulate trouble.

Chairman WALSH. As a result of your experience in industry, Mr. Berwind, do you believe that industrial discontent in America is increasing or decreasing?

Mr. BERWIND. Well, I will tell you—industrial discontent increases as to—it is a question of supply and demand. Of course, discontent arises when there is a large amount of idle labor and when there is no place to employ enough of the people, but in times of prosperity I can not say that is exactly the same. In times of prosperity labor knows that it is able to command a higher price and it tries to get it.

Chairman WALSH. Do you observe any movements in either direction, so far as social discontent is concerned, of its increasing or decreasing?

Mr. BERWIND. No; I can not say I have observed any great difference in past years.

Chairman WALSH. You have in your employ coal dockmen, do you, Mr. Berwind?

Mr. BERWIND. No. We have a pier on which we employ pier laborers.

Chairman WALSH. How many employees do you have on that pier?

Mr. BERWIND. I could not tell you off-hand; I should not think over 100 or 125, if that.

Chairman WALSH. How many barge captains have you in the employ of your company?

Mr. BERWIND. Well, roundly, I should say 125 or 150.

Chairman WALSH. What salaries do they receive?

Mr. BERWIND. I do not know what their wages are now.

Chairman WALSH. Is it \$50 per month?

Mr. BERWIND. I think so.

Chairman WALSH. Do their families live on the boats?

Mr. BERWIND. Yes, sir.

Chairman WALSH. Do they have children on the boats?

Mr. BERWIND. I think so; I am not sure of that.

Chairman WALSH. What educational facilities have the children of the barge captains?

Mr. BERWIND. They lay up every night at piers, and they have access to the land a great deal of the time.

Chairman WALSH. Have you received any protests or complaints from the captains of these barges as to the rate of wage paid them?

Mr. BERWIND. Not emanating from the men, but emanating from people outside of the men, we have.

Chairman WALSH. The captains are perfectly satisfied with their rate?

Mr. BERWIND. Yes; we found them to be so until these outside agitations came on about a year ago.

Chairman WALSH. Was there a committee of barge captains in the employ of the Berwind-White Coal Co. appointed to take up the matter of increase in their pay, in the spring of 1913?

Mr. BERWIND. I think there was.

Chairman WALSH. What were they being paid?

Mr. BERWIND. I think \$45 or \$50 a month. We pay two rates of wages. I think the older captains get a little higher wage than the junior ones.

Chairman WALSH. Did they organize to present their demands or requests?

Mr. BERWIND. Yes; I think they organized and sent a committee to us.

Chairman WALSH. Did they organize in the form of some particular union?

Mr. BERWIND. No; I don't know that they did.

Chairman WALSH. What is the union to which the barge captains would naturally belong, if they joined an organization, if you know?

Mr. BERWIND. I do not know—I think they have a boatmen's union. That is my own judgment, I am not sure about that.

Chairman WALSH. Do you deal with organizations of your employees, Mr. Berwind, when they make demands?

Mr. BERWIND. We always receive them and hear what they have to say—yes. That is, of our own employees, always.

Chairman WALSH. Who is Mr. Vanwie?

Mr. BERWIND. He is at present in charge of the delivery department of our business.

Chairman WALSH. Would that take in the part of your industry where the barge captains are employed?

Mr. BERWIND. Yes; he has that directly under his control.

Chairman WALSH. Did Mr. Vanwie call your attention to a request that had been made upon him by the barge captains, for an increase of pay in the spring of 1913?

Mr. BERWIND. He did not call it to my attention, but called it to the attention of the management of the office, who brought it to my attention.

Chairman WALSH. What action was taken by your company, was the request in writing?

Mr. BERWIND. I do not remember whether it was in writing or not, but I think the result was that we fixed the wage of the captains—all of them—at \$50 a month, an increase of some 10 or 12 per cent.

Chairman WALSH. You increased it from \$45 to \$50 a month?

Mr. BERWIND. I think so.

Chairman WALSH. Have you received complaints from your laborers as to the shortage in their pay at different times, Mr. Berwind?

Mr. BERWIND. We have had—we received, I think, on one or two occasions, statements that the people who distributed the money to our employees—that they have retained certain amounts out of that money—they were not paid over, in other words. That is to say, the office delivered the money to the men



in charge of the dock, and he did not pass it over, but we could never trace the slightest foundation for that story. In other words, we are not engaged in any enterprise to do men out of their labor or earnings and won't be a party to it, and any man who does it will be discharged; we do not do that sort of business.

Chairman WALSH. What sort of investigation did you make?

Mr. BERWIND. We made a very, very complete investigation, as far as we could possibly make it, and we could not get any trace of any such thing having happened.

Chairman WALSH. What sort of a report was made to the men who made the charge on that?

Mr. BERWIND. We told them simply we knew it could not happen again, and we told them we knew it never had happened.

Chairman WALSH. Have you had strikes in your industry within the past few years?

Mr. BERWIND. I do not think within two years.

Chairman WALSH. In the transportation part of your industry, Mr. Berwind?

Mr. BERWIND. The transportation part?

Chairman WALSH. Yes, sir. The water transportation?

Mr. BERWIND. Yes.

Chairman WALSH. That was the 1913 incident you spoke of the time that that happened?

Mr. BERWIND. Yes.

Chairman WALSH. That is what happened at that time, as I recollect, that that strike occurred?

Mr. BERWIND. Oh, yes; they had quite a lot of men that left and we put in new men and the others came back afterwards.

Chairman WALSH. Is this incident you refer to the incident where outsiders intervened?

Mr. BERWIND. Yes. In fact, they abandoned our property, left it floating in the river without giving us notice that they were going; just left the boats there run wild.

Chairman WALSH. Was that after the organization was perfected or was it before?

Mr. BERWIND. No; that was—they did that overnight.

Chairman WALSH. What I was trying to get at was, Mr. Berwind, whether or not they did that before or after the demand was made, before or after the strike?

Mr. BERWIND. I probably think they had formulated—the demand was made in a hurry overnight. They wanted this thing and they were not willing to wait, and if we were not going to do it right away they would stop, and they abandoned everything where it stood. This property was all perishable property, floating in the city of New York in barges and alongside of steamers in the river and in other places.

Chairman WALSH. Was there a collision in that instance between the strikers and the nonunion men?

Mr. BERWIND. I think not. I mean as far as I know. Yes—not a collision between the strikers and nonunion men, but the strikers did interfere with the discharge of the coal, and the new men that were put in there, and did interfere, I think, in every way.

Chairman WALSH. Were there lives lost in the controversy?

Mr. BERWIND. No; I think not. There was some violence, but not of any very great character.

Chairman WALSH. Was there any person who attempted to intervene directly in the matter with you, any person or persons from the outside?

Mr. BERWIND. Not that I recall, except a labor-organization man, I think, came to see us once or twice.

Chairman WALSH. Do you have some questions, Mr. Weinstock, that you would like to ask?

Commissioner WEINSTOCK. Yes.

Chairman WALSH. Commissioner Weinstock desires to ask some questions.

Commissioner WEINSTOCK. Mr. Berwind, from your observation, what advantage, if any, has organization been to labor?

Mr. BERWIND. Well, properly conducted organization is an advantage. The trouble is that our experience has been with organization that it is not always carefully conducted or, as a rule, especially in those industries such as those I am engaged in, which takes in a rather ignorant class of the community, and is not very skilled labor. A great many of them are foreigners, and they are

misled as to the situation, and it is very difficult to communicate, so that I am not convinced; I do not think that I can answer anything better than to say that under certain conditions organized labor has had an improving tendency and in other conditions it has produced great harm.

Commissioner WEINSTOCK. Well, now, taking the conditions as we find them, with all the weaknesses and all the failings and all the shortcomings of human nature—

Mr. BERWIND. Yes.

Commissioner WEINSTOCK (continuing). As they are, and then taking the country as a unit, do you think that labor, on the whole, would be better or worse off if organization was wiped out?

Mr. BERWIND. Well, I think organization under limitations, I will put it that way, would be of benefit. That is to say, I think—I do not think the entire wiping out of all organizations produces a good effect unless you can produce laws which are more rigid. Now, in my industry, if I could make the laws and enforce them, I would make the most rigid laws for the operator and the employer of labor that could possibly be made, and hold the employee to an equal responsibility. And I would make those laws so that it would be impossible to do anything unfair. There is no doubt about it amongst the employers of labor there are those who take advantage of their position at times. But the labor organization can not correct that. It will do that anyway, whether there are labor organizations or not. But I say that if we could pass mining laws—we have very good mining laws in Pennsylvania, but not so good in West Virginia—if we could pass mining laws of the most rigid character and make offenses criminal where an operator or employer did not treat his men right, as well as holding the men to it, I would be the most cheerful advocate of it, because we, the concerns that try to do well by our men, are punished by the irregularities where they are practiced in other directions.

Commissioner WEINSTOCK. I see. Are we to understand that you would substitute legislation for organization?

Mr. BERWIND. I would suggest certain legislation—

Commissioner WEINSTOCK (interrupting). For organization?

Mr. BERWIND. Well, in my particular industry. Of course, I have not studied the positions of any other industries. I am speaking of our own industry and of the people we have to deal with.

Commissioner WEINSTOCK. That is, you would substitute legislation that would control and regulate not only the worker but also the employer?

Mr. BERWIND. Protect the worker absolutely and protect the employer and carry it out. That is the point.

Commissioner WEINSTOCK. That is, you would substitute legislation that would protect the worker against the unfair employer?

Mr. BERWIND. Yes.

Commissioner WEINSTOCK. And protect the employer against the unfair worker?

Mr. BERWIND. The unfair worker; fair play, in other words.

Commissioner WEINSTOCK. What legislation, for example, would you suggest along those lines as to protect—

Mr. BERWIND. That is a long story in our business.

Commissioner WEINSTOCK (continuing). Against the unfair employer?

Mr. BERWIND. The laws must be rigidly enforced. The mining laws in Pennsylvania are in pretty good shape at this time. In West Virginia I think there should be modifications there. But the trouble is not so much in the law as it is in the enforcement.

Commissioner WEINSTOCK. I see. Do you have in Pennsylvania, for example, the initiative, referendum, and recall?

Mr. BERWIND. I think not.

Commissioner WEINSTOCK. You do not?

Mr. BERWIND. No.

Commissioner WEINSTOCK. Then what protection has the worker against bad laws being enacted or against the enforcing of good laws that are on the statute books?

Mr. BERWIND. The men who go to the legislature—they are very numerous, the workers, and they look out for their laws, and I think any fair-minded operator would welcome such a law and help to pass it himself.

Commissioner WEINSTOCK. How about the unfair mine operator?

Mr. BERWIND. That is the way to reach them. Certainly all the labor ought to be for it, and certainly all the fair-minded operators ought to be for it.

Commissioner WEINSTOCK. Well, I suppose in Pennsylvania to-day you have some laws on the statute books that are good for the employer and for the worker?

Mr. BERWIND. Oh, the laws in Pennsylvania are pretty well carried out; that is, they are well enforced.

Commissioner WEINSTOCK. Did I understand you to say that they were not being enforced, Mr. Berwind?

Mr. BERWIND. I say—I did not say they were not in Pennsylvania. Pennsylvania laws are not only very good, but they are pretty well enforced, generally enforced, and the exceptions to that are not very great. But in the Virginias it is not so, in Kentucky, and in those newer States where mining is not as well developed.

Commissioner WEINSTOCK. Well, then, I should judge from the statements that you have just made that if you were a worker, for example, that you would advocate legislation rather than organization. That is, you would say to your fellow workers, "Let us get the proper legislation on the statute books so that we may be protected and relieved," in place of attempting to organize labor unions?

Mr. BERWIND. Yes; I think so. I think you will effect much more in that particular industry.

Commissioner WEINSTOCK. How could you and I, as individual workers, get such protective laws on the statute books unless we did organize and did it collectively?

Mr. BERWIND. My dear sir, they have just as much access to the legislature as you and I have, and they are very much more numerous, and they are very well represented. They send their representative people there. In fact, their strength is so great that very often they are disposed to lean backward in favor of laws which are not altogether fair to the employer; so the employer has no advantage there.

Commissioner WEINSTOCK. I see. Taking the history of organized labor in this country as a whole, do you think that trades-unionism, for example, has been helpful or harmful to the American wage earner?

Mr. BERWIND. I think that that is a very mixed question. I think, as I told you before, in certain classes of work that organization was helpful. In other classes it is harmful, especially where the classes of people are not such as to be intelligent and understand your languages altogether and are not educated up to a higher standard it is very hard to communicate with them and to make them see what their best interest is. The interest of any employer of labor who wishes to succeed and is successful is to have his employees satisfied. To that end in our particular business we give them—we contribute to all their churches; we pay for all the schoolhouses. I built hospitals. We have given them over to the men to manage; given them right over to them. We provide them with playgrounds and such things as will bring these people into a state of mind where they will be satisfied with the lives they live. They are often in very remote districts at times—not all of them—Pennsylvania not so much as in Virginia, and their opportunities for pleasure are limited, and I think it becomes of every employer of labor to ameliorate their condition as much as possible.

Commissioner WEINSTOCK. Are there any of your people that are organized?

Mr. BERWIND. I do not know. We do not recognize—

Commissioner WEINSTOCK. You do not deal with them?

Mr. BERWIND (continuing). At all as organizations.

Commissioner WEINSTOCK. So that you have not entered into any agreement with them?

Mr. BERWIND. No.

Commissioner WEINSTOCK. You just deal with each individual as a separate unit?

Mr. BERWIND. We deal with our situation, and the thing is taken up with our managers, the different managers, and after they have taken it up and disposed of it it is then brought to our executive committee and we then finally dispose of it.

Commissioner WEINSTOCK. In common with the rest of us, Mr. Berwind, you know, of course, know there has been a great deal of industrial unrest in this country?

Mr. BERWIND. Oh, yes.

Commissioner WEINSTOCK. That has been growing in more recent years?

Mr. BERWIND. Yes.

Commissioner WEINSTOCK. Now, you have been an employer on a scale, I take it, and that you have been a student of these problems. I am sure that your opinions will be valued by the commission. What remedial suggestions can you make to the commission along the lines of bringing about a higher degree of industrial peace, and lessening of the underlying causes for unrest, for industrial unrest?

Mr. BERWIND. Well, the efficiency of all organizations is dependent upon the men that are in control of them, where these unions have been guided by hands, conservative leaders who were fair and mean to be fair, I think they have made very considerable progress. Under another form it irritates and antagonizes. I do not think you can lay down any very general rule for that organization, because it must be admitted by them, by the labor unions themselves, they must admit that all of their unions have not been very conservatively managed. Our own experience is what I have told you. We do not recognize the unions. We do not ask any man who comes to work for us whether he belongs to a union; we give him the best we have to give and we expect him to treat us fairly.

Commissioner WEINSTOCK. Well, in passing, I take it from what you have said, Mr. Berwind, that you believe that the burden and responsibility rests upon the shoulders of organized labor to select as their leaders representative men whose characters are above reproach and who have intelligence—

Mr. BERWIND (interrupting). I think that would very much help matters.

Commissioner WEINSTOCK. And if they selected crooks or men that are incompetent or unfair it would lead to trouble?

Mr. BERWIND. Yes; that is right.

Commissioner WEINSTOCK. And that was not exactly my point. I evidently did not make my meaning clear. I was not referring particularly to your individual industry, but I was putting the question to you as a citizen. We have been appointed by Congress to investigate into the causes underlying unrest, and to make to Congress recommendations for remedial legislation. Now, we can't dig these remedies out of our own inner consciousness. We must invite the aid of employers and workers the country over, men of experience, men of judgment, and men of thought. And we come to you as a commission, so to speak, asking you to help us, asking you to give us the benefit of whatever suggestion you may have to make along these lines.

Mr. BERWIND. Well, I do not know that I am competent to pass on the general labor proposition of the country. I would like to do that, and I am perfectly willing to pass on anything with which I have been connected. I do not think the results of labor unions have been happy in our particular industries for the reasons I assigned. And I believe that the best results in all those regions would be obtained in the mining regions in the way that I suggested, that if the mining laws are properly drawn and enforced there is no occasion for complaint from the men. If they are enforced the unscrupulous operator would be checked at once, even more so if I had my way.

Commissioner WEINSTOCK. Well, then, summing up, I take it that your position is this—that your answer to my question would be this: That you believe the way to get a higher degree of industrial peace, a way to minimize the underlying causes of unrest, is along the lines of wise and intelligent legislation?

Mr. BERWIND. I think so.

Commissioner WEINSTOCK. But you are not prepared to suggest what that legislation should be?

Mr. BERWIND. Yes; and along the lines of supply and demand and the fixed wage. We always must be—that must be regulated that way. I am speaking of all other regulations outside of the wage.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Commissioner Lennon would like to ask you a question.

Commissioner LENNON. Mr. Berwind, in speaking of the alleged mismanagement of labor organizations, do you think that they are more blamable in that respect than the managers of corporations?

Mr. BERWIND. In a general way, you mean, Mr. Commissioner?

Commissioner LENNON. Yes. I mean in a general way; yes; and its effect upon the citizenship of the United States.

Mr. BERWIND. Well, I would say this: That the employers of labor, in many instances—I can not mention the individual ones—but I think there are instances occurring constantly where employers are inconsiderate; no doubt about that; and that exists. On the other hand, I do know that very often labor leaders, whether mistaken or not, stimulate trouble where it is not neces-

sary and where the grievance does not exist. Now, those two things exist on both sides of the fence to a certain extent.

Commissioner LENNON. Is it possible that the viewpoint of the wageworker and the employer or the head of the great corporation in summing up these situations see the thing differently; what you see as being wrong or inconsistent or harmful that the workman sees the opposite—that is, to his benefit?

Mr. BERWIND. No; I think that labor unions are very arbitrary and I do not think that the employers are as arbitrary as labor. I do not.

Commissioner LENNON. You mentioned something with regard to your scale for mining?

Mr. BERWIND. Yes.

Commissioner LENNON. You have been in the business, according to your testimony, as I remember, some twenty-odd years or thirty?

Mr. BERWIND. More than that.

Commissioner LENNON. Thirty years. What force has been the most effective force in bettering the condition of miners in the United States during the last 30 years, that of the organized operators or that of the organized miners?

Mr. BERWIND. I think the demand for coal has made the operation better, because the operator could pay more to his employees than he could under other circumstances. As to bettering the conditions, I think the conditions are due to the laws, the improvement of the laws and the enforcement of the laws. I don't think it has been brought about by organization.

Commissioner LENNON. You do not?

Mr. BERWIND. No; not in our industry. I am speaking particularly of our industry, Mr. Commissioner.

Commissioner LENNON. Yes. I live in a country where they mine coal myself; I am not a coal miner, though.

Mr. BERWIND. No.

Commissioner LENNON. The rate that is now paid by you, 60 cents a ton—was not that a rate that was agreed upon by the miners' organizations and the operators?

Mr. BERWIND. Oh, I think so; yes.

Commissioner LENNON. Then, so far as the payment of that rate is concerned, the miners' organization were one party to the making of that rate?

Mr. BERWIND. Well, I will tell you how much they were. When the rate was advanced we voluntarily advanced that rate and forced the entire mining community to put it in. The fact is that we did it. We put the notices on the drift mouth ourselves that the rate of wages was advanced so much.

Commissioner LENNON. Before the agreement had been made?

Mr. BERWIND. Before there had been any agreement made.

Commissioner LENNON. I wanted to ask you one or two questions regarding children on these boats. What opportunity would those children have for education if they were on shore only of nights?

Mr. BERWIND. Well, Mr. Commissioner, you are getting me on a proposition I have not looked very closely into. The boating proposition is an old one here, and has existed so long and has become a question of custom for these men to live on their boats. It might be better if they would have their families live on shore; I don't know whether it would or not. But we give them the best that can be given them on those boats—give them the best facilities possible and give them constant labor; that is to say, we never lay them off.

Commissioner LENNON. Does that fact of giving them constant labor, does that mitigate any evil that may be perpetrated against the children by depriving them of opportunities of education?

Mr. BERWIND. I have never taken up that proposition. It is a new proposition to me, about the children; I have not thought much on that score.

Commissioner LENNON. I have been asked to submit a question to you, Mr. Berwind, as follows: How would the wages of miners be fixed if there were no unions?

Mr. BERWIND. Well, they would be fixed then by the larger companies, I suppose—the larger concerns that have influence upon the trade of the country would establish the rate of wages which would be followed by others.

Chairman WALSH. Mrs. Harriman desires to ask you some questions, Mr. Berwind.

Commissioner HARRIMAN. Now to get back, Mr. Berwind, to the boating question, I have not heard your former testimony, but I would like to know if you ever have heard of the alleged horrible moral conditions existing according

to the evidence of witnesses that came before us last spring and told us of the very bad conditions which they said were existing there.

Mr. BERWIND. I was going to say this, that of course you know that the boatmen—they are made up of a class of people that are a good deal on the wharves and not a very highly cultivated or educated set of people. Now, these people—of course there may be abuses can happen on these boats, because they are hired at so much a day or so much a month—that is, these men are. Now, in different companies they have different sorts of labor to perform. In the anthracite companies they keep them lying up 30 days, 20, 10, 30 days at a place. With us, our boats are moving a great deal more. We keep them constantly going, and therefore we can not tell—I could not tell—you exactly about these irregularities that you speak of.

Commissioner HARRIMAN. No; I meant had you heard of them at all?

Mr. BERWIND. Not on our own boats, I have not. We have had no complaints to us; none whatever.

Commissioner HARRIMAN. Thank you, Mr. Berwind.

Chairman WALSH. Just one question in that connection. You say your boats are constantly moving, and the men, women, and children go with them.

Mr. BERWIND. I don't know whether the women and children are on the boats all the time or not; but we have facilities on these boats to take care of their families, and we assume they move about a good deal.

Chairman WALSH. Have you ever gone on any of the boats yourself—

Mr. BERWIND (interrupting). No—

Chairman WALSH (continuing). To look at the living conditions?

Mr. BERWIND. Oh, yes; I have seen their cabins.

Chairman WALSH. Do you know of your own knowledge whether or not there are men, women, and children on these boats that are constantly moving?

Mr. BERWIND. Well, I say I think they live on the boats and probably move from place to place.

Chairman WALSH. What place to what place?

Mr. BERWIND. Well, from the dock, for instance, to the point of delivery.

Chairman WALSH. How far do they run?

Mr. BERWIND. Well, not very far—across the river or perhaps a mile or two. They are all within what are called the ferrying circuit here. They are not sent long distances on our boats.

Chairman WALSH. Have you any plan in your organization for observing the conditions of family life on these boats—

Mr. BERWIND (interrupting). No.

Chairman WALSH (continuing). Or the moral conditions?

Mr. BERWIND. But we keep as much of a survey so that there are no immoralities on the boat, as nearly as we can.

Chairman WALSH. What is that?

Mr. BERWIND. We have superintendents and men all over the harbor to look after the property and see to deliveries, and their duties also are to see after the boats.

Chairman WALSH. Do you give them instructions about looking after the moral conditions on the boats?

Mr. BERWIND. Oh, they are given general instructions to see that there are no abuses of any kind, and they correct them.

Commissioner O'CONNELL. Are there any laws under which these boats are investigated or policed in any way?

Mr. BERWIND. You mean local laws?

Commissioner O'CONNELL. State laws or city laws?

Mr. BERWIND. Well, they operate under licenses, I think, under the State, and I think they have a right to go aboard and inspect them any time they want to; but I don't know that they are particularly operated under any specific law except that license. They pay so much for the use of the boats.

Commissioner O'CONNELL. Are there any reports made as to the investigations by authorized officials?

Mr. BERWIND. I don't know that any organized reports are made. I don't know—I have never seen any if they have one. You mean to the State, do you?

Commissioner O'CONNELL. Yes; to some authorized official.

Mr. BERWIND. Yes.

Commissioner O'CONNELL. For instance, do births and deaths occur on these boats?

Mr. BERWIND. Well, I can not answer that from absolute knowledge; but I assume it must be the case if these people live on board.

Commissioner O'CONNELL. Who would be supposed to have that record?

Mr. BERWIND. That record would be known by the superintendent. Our superintendent would know that.

Commissioner O'CONNELL. Are there any arrangements whereby medical attendance is provided?

Mr. BERWIND. No; I think not. We have accessible at our pier always a medical person—a medical attendant—who can be reached, and these boats go to the pier every day or two. Remember, these boats are not long away from the pier. They are only gone two or three days, and then from one to another pier in New York, so medical advice is always accessible to these people.

Commissioner O'CONNELL. Have you had any reports as to moral or immoral conditions that might exist?

Mr. BERWIND. No. I just answered that question.

Commissioner O'CONNELL. Now, then, just one other question. In the mining industry, if the miners had not been organized in some form or to some extent during the past 30 years, would your companies be paying as high a rate of wages to-day if there had been no organization at all among the miners?

Mr. BERWIND. That is a pretty hard question to answer.

Commissioner O'CONNELL. I want to get after what has been the force that has raised the wages.

Mr. BERWIND. Well, I will tell you the force. The scarcity of labor raises wages more than anything else. When there is a great demand for labor and there is not sufficient labor to be had labor sees that it gets all that belongs to it and as much more as it can get.

Commissioner O'CONNELL. That must be in an organized capacity, then?

Mr. BERWIND. Oh, no; that does not follow. They can command it, because we have been short of labor for the last six or eight years, and, as I stated here a little while ago, you were talking about labor organizations—my concern, which has been unable, with all the diligence possible, to get labor to work more than 19 days a month in the State of Pennsylvania, so that our capital—that same capital would produce—is losing 7 days' time every month because labor had made enough in 19 days to satisfy themselves and because they are paid on the ton basis.

Commissioner O'CONNELL. Then, am I to understand—I do not want to put words in your mouth—but is it your opinion that conditions of employment as to wage and hours would have been as good as they are now, regardless of whether there were organizations or not?

Mr. BERWIND. I think so. I think the law of supply and demand of labor and men—of course, the law of supply and demand makes the necessity for labor, doesn't it? And if that labor is very excessive, of course they do not get as high a wage as if it was short of the amount required. In other words, there has been a shortage of labor, and certainly the labor unions have struggled very hard to keep that shortage going all the time; and that has stimulated the rise in wages in a very high degree—very great degree. That is the reason I make that answer to your statement. I think if we had had a great abundance of labor in this country, more than we required, I have no doubt the wages would have been lower than they are to-day.

Commissioner O'CONNELL. If there had been no organization of labor at all?

Mr. BERWIND. Yes; it wouldn't make any difference whether you had an organization or had not an organization. I think that would have been the case.

Commissioner O'CONNELL. Now, as to legislation. You say you believe that in all things, except possibly wages, conditions of employment might be legislated on?

Mr. BERWIND. Yes.

Commissioner O'CONNELL. Now, would you feel that it should legislate for a minimum wage?

Mr. BERWIND. No; I did not particularly refer to the question of compensation in that. There are abuses in all businesses, and there are abuses in the mining business which unscrupulous people, whether employers or employees, practice. They are not all confined to the employees, by any means; and, I say, mining laws requiring certain—mining laws for the safety of the men and the operation of the property, and for their protection in every way, and also covering the operator, is the way to force honesty on both sides; but it has got to be enforced. You can not have the law and have it lay a dead letter.

Commissioner O'CONNELL. You believe in laws for compensation—

Mr. BERWIND (interrupting). In other words, I believe in absolute fair play,

**Commissioner O'CONNELL.** You believe there should be a law of compensation to provide for men when maimed and injured?

**Mr. BERWIND.** Oh, that we have. Yes; we believe in that, and it is going in our State.

**Commissioner O'CONNELL.** It is not going in Pennsylvania?

**Mr. BERWIND.** Well, they are getting it. It is in process of being gotten. I believe that law, when it is whipped into proper shape, is all very good. I am not opposed to it at all. It depends on the form they put it in.

**Chairman WALSH.** Commissioner Ballard would like to ask you some questions.

**Commissioner BALLARD.** Mr. Berwind, referring once more to these boats and the conditions of life on the boats, have those conditions existed for a long time, and your company inherited the same method of handling the boats? Has that been going on for years? You did not initiate these methods?

**Mr. BERWIND.** Not at all. They have been with us ever since we have been in business, and we have had no complaints from the boats except on these two occasions, and they were both stimulated from the outside by men totally disassociated with us, and had nothing to do with us. They came to our men and got them into this state of mind, and these charges of irregularities made by some of our officials who are supposed to have taken something out of the pay envelope which belong to the men were promulgated. Now, that investigation fell down, as I told you.

**Commissioner BALLARD.** The relation of a man to his family always in seafaring life is a little different from what it is on land.

**Mr. BERWIND.** Oh, yes; has to be, from necessity.

**Chairman WALSH.** Commissioner Garretson would like to ask you a few questions.

**Commissioner GARRETSON.** On your interpretation of the law of supply and demand, as you just gave it, without restrictions on immigration, would the large employer always be able to depress the market by oversupply?

**Mr. BERWIND.** I don't think so.

**Commissioner GARRETSON.** He would, in case the supply didn't run out—

**Mr. BERWIND (interrupting).** Oh, that is quite true if you had such an abundance of labor that everybody was seeking it and there would be competition of labor and it would be cheap; but that thing does not arise here, and has not in my time.

**Commissioner GARRETSON.** Have you consulted the figures on arrivals in the past 10 years—immigration?

**Mr. BERWIND.** Yes; but I know one thing—that there has never been a day in this 10 years, until this war broke out, that we could get the men to man our works.

**Commissioner GARRETSON.** Not a day?

**Mr. BERWIND.** Not a day—

**Commissioner GARRETSON (interrupting).** How about 1907?

**Mr. BERWIND.** 1907 was all right for us. We were just as short that year.

**Chairman WALSH.** Commissioner Weinstock says he has another question to ask you.

**Commissioner WEINSTOCK.** Were you present yesterday, Mr. Berwind, when Prof. Hollander testified?

**Mr. BERWIND.** No; I was not.

**Commissioner WEINSTOCK.** Well, in common with yourself, as a trained political economist, he expressed the opinion that legislation could do much, very much, along the lines of establishing a higher degree of industrial opportunity and would make way with some of the causes for industrial unrest and be specifically named these various legislative measures as being remedial in character.

**Mr. BERWIND.** Yes.

**Commissioner WEINSTOCK.** And I would like to know, from your standpoint as an employer, how far such measures meet with your support. First, the workmen's compensation?

**Mr. BERWIND.** Well, the workmen's compensation act, properly worked out, I should approve of.

**Commissioner WEINSTOCK.** Second, a minimum wage?

**Mr. BERWIND.** That I do not think—I do not see how you can establish that. That I am doubtful about, because I have never studied that; never thought of it.



## 7598 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

Commissioner WEINSTOCK. Well, I might say for your information, Mr. Berwind, that it has been successfully established in Australasia for men and for women, and is being successfully established in this country in several States for women and minors pure and simple.

Mr. BERWIND. Well, I have not studied that question.

Commissioner WEINSTOCK. Well, take the old-age pension act, such an old-age pension act as they have in England or in Germany?

Mr. BERWIND. You mean compensation?

Commissioner WEINSTOCK. No; that is separate and distinct piece of legislation from workmen's compensation. Workmen's compensation deals only with workers who have been injured industrially, and has nothing to do with old age. But, as you doubtless know, in England and in Germany and in some other European countries they have established old-age pensions.

Mr. BERWIND. Oh, I think it is probably a proper thing if it is done on a broad scale. I don't know but that is fair if it is being done reasonably.

Commissioner WEINSTOCK. The next suggestion that was made was sickness insurance, on the ground that the greatest cause for human poverty is sickness, and that society, as a matter of just protection should, from its point of view, establish sickness insurance so as to minimize sickness.

Mr. BERWIND. Well, in our operations we overcome that—for instance, I personally built a hospital which supplies four counties, ours and others than my own, and this was equipped and fitted up and then turned over to the little town which is the headquarters of our people, and they jointly manage it; so we provide for our sick by having our hospitals and looking after them. But whether a general law—I don't know whether that is feasible or not, sir. I couldn't tell you.

Commissioner WEINSTOCK. The next suggestion was unemployment insurance?

Mr. BERWIND. Well, I am not prepared to pass on that either.

Commissioner WEINSTOCK. And the next was State labor exchanges to take the place of practically private employment bureaus?

Mr. BERWIND. I have not given those questions any consideration at all. I would like to give them more thought than I can give them here to pass upon them.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. That is all; thank you, Mr. Berwind.

Mr. George W. Perkins.

#### TESTIMONY OF MR. GEORGE WALBRIDGE PERKINS.

Chairman WALSH. Take a seat, Mr. Perkins, and state your name, please.

Mr. PERKINS. George Walbridge Perkins.

Chairman WALSH. Where do you reside, Mr. Perkins?

Mr. PERKINS. In New York City.

Chairman WALSH. What is your business, please?

Mr. PERKINS. I am afraid I will have to get you to name it.

Chairman WALSH. In what corporations are you a director?

Mr. PERKINS. The United States Steel Corporation and the International Harvester Co. are the two industrial ones.

Chairman WALSH. Any railroad and transportation companies?

Mr. PERKINS. The Erie Railroad, the Florida & East Coast Railroad, the Cincinnati, Hamilton & Dayton Railroad.

Chairman WALSH. And the International—

Mr. PERKINS. And the International Mercantile Marine. Mr. Chairman, you addressed a letter to me in which you asked me a number of questions and asked me to be prepared to answer them. I have prepared the answer to those and I wonder if I might read that into the record as perhaps a preliminary statement.

Chairman WALSH. I think perhaps it would be very well and might shorten the matter.

Mr. PERKINS. And then I shall be very glad to answer any questions you may ask.

(Mr. Perkins read as follows:)

As to industrial relations in this country, perhaps I can best answer your questions by stating my beliefs, which, briefly, are as follows:

I do not believe that competition is any longer the life of trade. I have long believed that cooperation is the life of trade. I believe this because it is

clear that competition, driven to its logical end, gave us the sweatshop, child labor, long hours of labor, insanitary labor conditions, and bred strife and discord between employer and employee. I have long believed that cooperation through large industrial units, properly supervised and regulated by the Federal Government, is the only method of eliminating the abuses from which labor has suffered under the competitive method. I believe in cooperation and organization in industry. I believe in this for both labor and capital; but as in both cases the result places large power in the hands of a few men, I believe that such organizations should be under the strict regulation and control of the Federal Government in order that they may give the public the maximum amount of good and the minimum amount of evil.

I do not believe that the tariff has been any appreciable factor in maintaining our so-called trusts. I believe that improved intercommunication, such as the telephone, the telegraph, steam, and electricity generally, is almost solely responsible for the centralization of power in industry, just as they have been responsible for the centralization of population in cities. I do not believe that it is possible to change this situation, unless the Federal Government is prepared to make it a penal offense to use steam and electricity in industry.

The corporation question and the tariff question are fundamental in our industrial fabric, and until they are properly settled all other questions growing out of them can not be properly settled.

I do not take any stock at all in the idea that our present industrial difficulties are due to absentee ownership. So long as there is the telephone and the telegraph people are going to do business of all kinds and have social relations of all kinds on the absentee basis. Our Federal Government is based on the theory that the President of the United States, in Washington, represents absentee ownership. He gets his information from representatives who come to him from all parts of the country, with information as to conditions in those parts. It can not be otherwise under modern methods of life.

You ask me whether the large resources of endowed foundations constitute a possible menace. In my judgment no concern whatever need be felt on that score, provided the Government will but require that all their transactions, in the minutest detail, be made public once or twice a year. I mean by this a statement showing in detail what their money is invested in, what their income is spent for, and how the fund generally is administered. If in the course of events, under such a system, the money is used for improper purposes, it will not take public opinion long to correct such a condition. I am an absolute believer in the efficiency of public opinion; I believe that nine times out of ten it is not only right but all powerful.

I believe you threw out the suggestion last Sunday evening that the Government should take these foundations over and administer them. This, of course, would mean for them the same kind of efficiency in administration that we have in other branches of the Government, which would be a distinct loss to the people, for I take it that no one questions the high efficiency with which these foundation endowments are being managed any more than any one questions the low order of efficiency with which in many instances the public's money is managed by public servants in this country. The function of Government should not be to manage, but to regulate and control management.

You ask me to what extent stockholders and directors of corporations are responsible for labor conditions. The policy differs so largely in different concerns that a specific answer is impossible. In the corporations with which I have been connected the directors have felt a very real and keen responsibility for these matters, and the actual practices of these companies, year by year for a number of years, show an exhaustive study of these subjects and an intelligent and fair treatment of them, with the result that the relations between capital and labor have constantly improved year by year.

Personally I believe in small boards of directors, that directors should be held strictly responsible for the discharge of their duties, and that they should be required at certain periods to attest to the fact that they have discharged their duties. But I believe in the short ballot in business, just as I believe in the short ballot in politics. I believe in placing power and responsibility with executives and holding them to a strict accountability.

I have long believed that we can never solve the problem of properly compensating labor through the wage system alone. I have for many years believed

that we can come much nearer a fair solution by coupling profit sharing with wages. One of the reasons why I believe in large corporations is that, the ownership being impersonal, you can have profit sharing, welfare work, pensions, accident, and benefit plans, which can not so well be had in small units of businesses where the ownership is personal. I have not only preached all the above, but I have practiced it for a number of years.

You ask to what extent industrial warfare, unemployment, poverty, and delinquency are the result of defects and maladjustments of American industry. My answer is that 10 years ago such defects and maladjustments were responsible to quite a considerable extent; but a great change has taken place in this respect in recent years, and it is my deliberate judgment that at the present moment our industrial depression, unemployment, etc., are almost wholly due to the defects and maladjustments of Federal laws and administration. In the enormous railroad and industrial development that followed the War of 1862, improper business methods unquestionably grew up and have been practiced, to the detriment of business, to the detriment of labor, and to the detriment of consumer. There have doubtless been many faults and much maladjustment in the business methods of our country, but this is due to many causes. I personally believe that some of these causes—the most fundamental ones—have not received anything like the sober, serious, earnest thought that should have been given to them long ago by our men in public life. For instance, our laws, both Federal and State, have been drawn, and the attempt has been made to constantly enforce them, on the theory that we were doing business under the same conditions as did our forefathers; whereas our business men, in their actual business lives, have been forced to do business under conditions that have been entirely different from those under which their forefathers did business, or those existing at the time said laws were enacted.

Doing business is not a theory; it is a fact. You have got to do business according to the customs and conditions in vogue among your fellow men on the very day on which you are transacting business. One of the causes of maladjustment has been the maladjustment between actual business conditions confronting business men and our Federal and State laws. I believe that the economics that our political leaders have been trying to force American business men to accept are altogether antiquated and unsound in this day of universal intercommunication of steam, electricity, and the wireless. Germany has long since discarded them and won out commercially. In our struggle to retain them we have been losing out. There could be no more useful inquiry at this moment on the part of our Federal Government than a commission on economics. It is high time that we went to the root of our troubles and stopped scratching around on the surface.

Our political leaders tell us that competition is still the life of trade; that through it we will find a great new freedom. They tell us that cooperation through corporations is a great menace to our people and must be stopped. Germany takes exactly the opposite view. Twenty-five years ago Germany was the land of the small unit in business and her people were leaving the country every year in large numbers, seeking some other land, where they hoped for better industrial conditions. Germany gradually changed her system from the old destructive, competitive system, with small units of business, to the system of large business units, with cooperation on every hand. Her people gradually stopped leaving Germany until, during the two years preceding the outbreak of the war, practically none of her people left their homes, in order to look for better conditions elsewhere.

Is this not a startling contrast? Is it not worthy of deep, sober thought and an exhaustive investigation by our Federal Government? May it not be just possible that our business leaders have been nearer right than our political leaders?

For every ounce of trouble brought about in industry through the selfishness and cupidity of business men, a pound of trouble has been brought about through half-backed laws and muttonhead legislation on the part of our legislators. Our legislators have not even possessed hindsight, and they have been veritable babes in foresight.

How vastly different and better industrial conditions and relations would have been during the past 20 years if at the time of enacting the Sherman law two other laws had been passed. One that would have prevented stock watering and overcapitalization in railroad and industrial organizations, and one that would have required full publicity for railroad and industrial organizations that became interstate and international. Two such laws would

have been of the greatest benefit and protection to investor, consumer, and labor; would have prevented much of the serious maladjustment that has existed; and would have permitted trade to go on and expand in conformity with the economics of steam and electricity.

The Sherman law has done nothing whatever to eradicate the evils that have existed in business, and has done much to seriously hinder the industrial development of this country. I can recall scarcely a piece of national legislation that has had as its honest purpose the promotion of business and the protection of investor, labor, and consumer, or that has been based on sound twentieth-century economics and morals.

For many years I have been a strong advocate of Federal regulation of our large industrial units. In this day of almost universal intercommunication, whether we like it or not, business must be done on a large scale, by large companies, with large capital and large bodies of employees, which means absentee ownership and absentee employers.

I have long believed and often publicly said that when an industrial corporation wishes to reach out beyond the State in which it is created, it should be obliged to do so under Federal regulation; that all its affairs should be made public, including its treatment of labor.

I have long believed and often publicly said that the larger an enterprise becomes the more semipublic it becomes, and the more important are its responsibilities to the public generally.

I believe that under Federal regulation and complete publicity large business units, in place of being a detriment to labor or trade, can be of great benefit to both.

Our touchstone should be conduct, not size.

Chairman WALSH. Will you please outline briefly the character of the connection you have with the corporations in which you are interested, Mr. Perkins?

Mr. PERKINS. They have been very varied. Do you refer particularly to industrial corporations?

Chairman WALSH. I will confine you, if you please, to industrial corporations, beginning with industrial corporations at any rate.

Mr. PERKINS. I have been connected with the harvester company since the very beginning of the company, and became connected with the Steel Corporation a few months after its organization.

Chairman WALSH. How many directors has the International Harvester Co.?

Mr. PERKINS. I think the harvester company has 15, or something like that. I really do not know the exact number, but approximately that number.

Chairman WALSH. Has it an executive committee?

Mr. PERKINS. It has a finance committee.

Chairman WALSH. That is the same thing?

Mr. PERKINS. Yes, sir; it is the same thing.

Chairman WALSH. What is the size of the finance committee?

Mr. PERKINS. Five.

Chairman WALSH. Are they selected from the board of directors?

Mr. PERKINS. They are selected by the board of directors.

Chairman WALSH. Are they all directors also?

Mr. PERKINS. Yes, sir.

Chairman WALSH. How many directors has the steel company?

Mr. PERKINS. It has many more, perhaps 35 or something of that sort. It has been a long while since I looked that up, but it has a much larger number.

Chairman WALSH. Are you a member of the executive committee of the International Harvester Co.?

Mr. PERKINS. Of the finance committee.

Chairman WALSH. Has the steel company an executive committee also?

Mr. PERKINS. It has a finance committee, which is both a finance and executive committee.

Chairman WALSH. How many members are there on that committee?

Mr. PERKINS. Nine.

Chairman WALSH. Are they selected from among the directors of the company?

Mr. PERKINS. They are appointed by the board from its own members.

Chairman WALSH. Are you a member of the executive committee of the steel company?

Mr. PERKINS. I am a member of the finance committee, which is the same thing.

Chairman WALSH. What information do you, as a director and member of the executive committee of those corporations, possess concerning the labor conditions in the corporations, beginning first with the harvester company?

Mr. PERKINS. It is almost the same in both companies. That is, the officers are required to report pretty strictly as to general conditions. I might perhaps more properly put it as the policy. The committee fixes the policy and the officers execute it.

Chairman WALSH. Do you receive reports from the corporations in writing in regard to the condition of labor in the different plants?

Mr. PERKINS. Not often; mostly verbally.

Chairman WALSH. Do you keep minutes of the executive committee?

Mr. PERKINS. Yes, sir; finance committee minutes.

Chairman WALSH. Do the minutes of the finance committee contain any records of action taken with relation to labor conditions during the past five years?

Mr. PERKINS. I doubt if they do very much, because that is pretty much an executive matter and somewhat in the nature of administrative work. The president of the company and the chairman of the board would be present and the matters would be gone over pretty thoroughly. It is not in the nature of a specific action, such as a man would take in buying a piece of land where it is necessary that a record be kept.

Chairman WALSH. So you recall no record in the minute books of the International Harvester Co. of any labor policy or labor action?

Mr. PERKINS. No; I do not recall any, but I do not doubt that we have had some.

Chairman WALSH. How long have you been a director of the steel company?

Mr. PERKINS. Eleven or twelve years—since a few months after its organization.

Chairman WALSH. Have they a definite written policy with reference to organized labor in the steel company?

Mr. PERKINS. No definite written policy, but they have a definite policy as to labor in that respect.

Chairman WALSH. Do you personally visit the plants of the corporations and make personal inquiry and observation with regard to the condition of their employees?

Mr. PERKINS. Yes, sir.

Chairman WALSH. What plants of the International Harvester Co. have you visited during the past year?

Mr. PERKINS. I have visited none of them during the past year, but before that I visited them quite frequently, and particularly when the company was organized, in a desire to find out the conditions at that time and what we could do to better them.

Chairman WALSH. When was that?

Mr. PERKINS. My first visit was when the company was first organized—12 years ago.

Chairman WALSH. How many of the plants of the steel company have you visited during the past year?

Mr. PERKINS. I think the last steel plant I visited was at Birmingham, Ala., which was perhaps a little over a year ago.

Chairman WALSH. You say that prior to that time you visited them oftener?

Mr. PERKINS. Yes; in the early days we thought—some of us—that there were some changes that should be made, and we wished to see the situation ourselves, and we visited the plants.

Chairman WALSH. Is the labor policy the same in both institutions—the policy of the companies toward labor and its organizations or lack of organization?

Mr. PERKINS. I would not say just the same in the sense that the actions are the same, but I think, practically speaking, it is about the same.

Chairman WALSH. You stated you had a very definite policy in the steel company a few minutes ago?

Mr. PERKINS. Yes.

Chairman WALSH. Please state what that policy is?

Mr. PERKINS. As to labor?

Chairman WALSH. As to labor generally. I would like you to make the statement in the broadest way that comes to your mind.

Mr. PERKINS. Our policy toward organized labor is the policy of the open shop, and our policy generally toward labor has been to interest it as far as

we could in ownership in the company and to promote as far as possible what in later years has come to be taken up by the States, such as workmen's compensation and pensions and welfare work and things of that sort.

Chairman WALSH. Did your company as such take any action in the promotion of opposition to such laws so far as State legislatures were concerned?

Mr. PERKINS. Not to my knowledge. We have always been very much in favor of that and have felt much gratified that things we took up years ago have since been taken up by legislatures, which I think should be the case.

Chairman WALSH. In what way did you take up those matters prior to the suggestion of them in the State legislatures?

Mr. PERKINS. We took up—oh, I should say 10 or 11 years ago—in the steel company the question of profit-sharing and took that up in quite an elaborate way. I thought you might be interested in that, and I brought along the circulars which we issued at that time, which I would be glad to file if you wish.

Chairman WALSH. I wish you would please do so and state as concisely as you can what that plan is.

(Mr. Perkins submitted the following in printed form: Circular letters of the United States Steel Corporation, dated New York, December 31, 1902; January 7, 1910; January 3, 1911; and January 2, 1913. Also pamphlets entitled "Statement as to wages, hours, and other conditions of labor among employees of the United States Steel Corporation and subsidiary companies," April, 1914; and "Report of committee of stockholders of the United States Steel Corporation," dated New York, April 15, 1912.)

Mr. PERKINS. When the steel company was organized individual ownership was, of course, largely eliminated, and those of us who were intrusted with forming an organization to administer the corporation found ourselves confronted with a very large number of plants at many different points, minus what had been regarded before as the efficiency which comes from individual ownership and the immediate presence on the ground of the individual owners. The problem was, could such a large organization succeed permanently and efficiently under those conditions? After giving it considerable study, we adopted a profit-sharing plan, and in December, 1902, issued a notification of the plan to all the employees and stockholders of the company. That was about 12 years ago, you see. The plan is somewhat complicated, but I will state it as briefly as I can.

Our object was to substitute for a few individual owners a very large number of owners, and we divided the plan into two parts. We said to the organized men everywhere that it took approximately \$75,000,000 a year to pay the interest on the corporation's bonds and the dividends on its preferred stock and to take care of replacement; we got up a circular and sent it to the men—I will not give the details, just the principle of it; it stated that we would distribute each year to the organization a certain percentage of any profits made over and above that amount, increasing the amount as the profits increased; that we would distribute that percentage each year, on recommendation by superintendents at the various plants, to those of the organization who had helped earn the money. Under that part of the plan we have distributed something over \$20,000,000 during the years that the plan has been in operation. Then, in addition to the foregoing, each year we offer to the men of the organization stock of the company at a price we arbitrarily fix in January, and usually a point or two under the market price at the time we make the offer. We buy the stock and offer it, regardless of the market, usually a little under, so that the men may feel that in the month of January they can always count on buying stock as cheaply from the corporation as they could buy it anywhere else.

Chairman WALSH. How much has been distributed in that way?

Mr. PERKINS. I do not know how many shares, but nearly 60,000 men in the mills are now stockholders. For instance, in January of last year something over 27,000 men applied to buy one share of stock apiece. Each year has shown an increase over the previous year.

A man who applies to buy stock pays for it out of his pay envelope monthly, but is only allowed to pay a certain percentage per month, and it takes about three years to pay for the stock.

Then we put a certain sum per share into a fund; for instance, on the 80,000 shares of stock taken in January of last year we agreed to put in a fund each year for five years \$3 a share on the whole 80,000 shares. At the end of five years all those who have paid for their stock and still have it receive this fund. It is divided among those who pay for their stock and have it

at the end of that time. Of course all of these men get dividends, as in the case of any other stockholder. Our experience has shown that this is a good thing for the men in every way. The men who can only afford to buy one share of stock a year are the laborers, and the greatest thing they can render is their best efforts every day in their work, wherever they may be. It is a very difficult thing to know how to share profits with the laborers based on any ordinary profit-sharing plan, so we feel that to interest him in stock ownership and then arbitrarily distribute profits to him rewards him for the best interest he could give, whatever his job might be.

This has proven very attractive to the men. Each year more and more have subscribed to this plan and become stockholders, and we have had very satisfactory results.

We had a letter a while ago from a man, who was evidently a foreigner, for we could hardly make out his letter, and he wrote to this effect: "I notice some mornings in going to my work that the cook in the superintendent's kitchen takes wood from the company's woodpile. I own two shares of stock in this company, and I want to ask if that is right?" So we had a pretty helpful partner in that man, although he had but two shares of stock.

While I was in Birmingham on my last trip there I was going along looking over the work, and the superintendent said, "Do you see that man working over there?" pointing to a man who looked rather shabby and dirty. And I said, "Yes." The superintendent said, "He delivers oil around the works. He nearly had a fight the other day. He was delivering oil, and a man receiving the oil had a little left in the cup and threw it out on the road. This man said, 'You want to quit that.' The man to whom he spoke said, 'What business is it of yours?' and this man said, 'It is a good deal of my business; I am a stockholder in the company and I don't want any oil wasted.'"

We did not get up our plan from the standpoint of philanthropy, but we got it up because we thought it would be a good thing for the company and the employees, and we have been very well satisfied with the results we have had. I hope I have not been too long in stating the plan.

Chairman WALSH. No; it has been very interesting. Commissioner O'Connell wants to ask a question.

Commissioner O'CONNELL. There is some difference between us, Mr. Perkins, in regard to the stock, given by the steel company to the employees. Has common stock been sold to the employees?

Mr. PERKINS. For the last three or four years. For a number of years we only offered preferred stock; then we had many demands from the men for common stock and offered that.

Commissioner O'CONNELL. Was there not recently some of the common stock sold to employees at a price somewhere around 80?

Mr. PERKINS. No, sir; not the common stock; the preferred stock has been sold for about that.

Commissioner O'CONNELL. What is the result if the stock sold to them falls in price?

Mr. PERKINS. That is perhaps one of the most interesting features of our plan. A man buys a share we will say of common stock at \$50 a share. It takes him three or four years to pay for that. While he is paying for it we charge him with a rate of interest on his money equal to the dividend he receives and credit him with the dividends. This fund I spoke of, where we put \$3 a share a year into a separate fund, is in addition to the dividend, so that at the end of five years he is sure to receive \$15 in addition to his dividend. So if he paid \$50 a share for his stock in 1895, in 1900 when he took his stock down, when he had paid for it and it was his, it would have cost him only \$35 a share, and as much less than \$35 as is represented by his interest in the sum of \$3 a share left in the fund by those who did not continue payments and forfeited to the fund their \$3 a share. So, I might say, in answer to your question, that the fund is an insurance fund against depreciation in value.

Commissioner O'CONNELL. Do you guarantee to take the stock off his hands at the price he paid for it?

Mr. PERKINS. No; but this fund is a very large insurance against any depreciation. We did do that once. When we put out this profit-sharing plan in 1902, depression came on almost immediately and the market price of the stock became much lower than the price at which we had offered it and at which the men had taken it, and it being a new thing, and some suspicion arising about it, even in the mind of the most moral paper of New York, which had commented on it editorially, we thought we ought to take some action and the

finance committee brought the matter to the board, and the result was that a resolution was passed to the effect that if at the end of five years the stock was selling at a price less than the price at which the men took it, the company would protect the men.

Commissioner O'CONNELL. One point I want to get clear: The company has sold common stock to its employees?

Mr. PERKINS. It has.

Commissioner O'CONNELL. And it does not guarantee to return the price, the company does not guarantee the price paid?

Mr. PERKINS. No; but I want to make it clear that we have a heavy insurance fund which we set aside for the protection of the men. Mr. Commissioner, when I speak of profit sharing, I want to make it very clear that I do not believe in bonus giving or gratuities. I believe in profit sharing through which the man becomes a real partner, whether a partner to the extent of one dollar or a million dollars. I think every self-respecting man wants to do business on a business basis, and he does not want any gratuity.

Chairman WALSH. Mr. Perkins, how many employees are there in the United States Steel Corporation?

Mr. PERKINS. From one hundred and sixty thousand to two hundred thousand or odd.

Chairman WALSH. The maximum is what?

Mr. PERKINS. Something around 225,000 or 240,000.

Chairman WALSH. Could you make an approximate classification of them, as to skilled laborers, unskilled laborers, executive men, administrative men, and salesmen?

Mr. PERKINS. No; you would have to get that from the executive department.

Chairman WALSH. Do you include in the amount of stock taken the stock taken by the officers of the corporation.

Mr. PERKINS. Yes, sir.

Chairman WALSH. By the executive heads?

Mr. PERKINS. Yes, sir; this plan is open to every one from the chairman of the board down to the men doing common labor.

Chairman WALSH. What proportion of the \$20,000,000 is or has been taken by the officers of the company?

Mr. PERKINS. A very small part in proportion to the whole, because when we make these offers we allow the workmen—the men who receive \$1,200 a year or less, the first chance at purchasing the stock. We offer \$25,000 a year and we allow the \$1,200 men and under to subscribe first, and the higher-priced men are the last ones allowed to subscribe, so that the low-salaried men get the first choice.

Chairman WALSH. In point of numbers, how is this stock held by unskilled labor?

Mr. PERKINS. The largest percentage of it is held by unskilled laborers.

Chairman WALSH. How much is held by unskilled laborers?

Mr. PERKINS. It would be a rough guess, but from my general touch, I would say there would be by this time probably 25,000 or perhaps more.

Chairman WALSH. Twenty-five thousand?

Mr. PERKINS. Yes; but understand that is a guess on my part—simply my feeling from what I know about the organization.

Chairman WALSH. Now, what is the attitude, first, of the International Harvester Co., toward organized labor?

Mr. PERKINS. Toward organized labor? They have the open shop.

Chairman WALSH. Does it favor or oppose collective bargaining?

Mr. PERKINS. Well, the company, as far as I know, never has taken any action. And as far as I know most of the directors are in favor of organized labor; I am.

Chairman WALSH. Now, as to the United States Steel Corporation?

Mr. PERKINS. Practically the same.

Chairman WALSH. Attention was called to a resolution said to have been passed by the board of directors of the Steel Corporation on June 25, 1901; the report from which this is submitted seems to call this the executive committee.

Mr. PERKINS. During the first few months of the existence of the Steel Corporation there was an executive committee and a finance committee.

Chairman WALSH. I see.

Mr. PERKINS. But we found that did not work very well, so the executive committee was discontinued and one committee left, and that has been the administrative committee.



Chairman WALSH. Has your attention been called to the resolution passed by the executive committee on June 17, 1901, as follows:

"That we are unalterably opposed to any expansion of union labor, and advise subsidiary companies to take a firm position when these questions come up, and say that they are not going to recognize it; that is, any extension of the unions in mills where they do not now exist; that great care should be used to prevent trouble and that they promptly report and confer with the corporation."

Mr. PERKINS. No, sir, never; if I ever knew that, I don't remember it. I never was a member of the executive committee. But I have called your attention to the fact that the executive committee was done away with.

Chairman WALSH. Your attention was never called, as I take it, to that resolution, if it was passed?

Mr. PERKINS. No. Mr. Chairman, I want to say this: I doubt if the people in our country generally realize the enormous change that has come about in the years that have intervened between that resolution and to-day on such points as that. For instance, you see when that was passed, as you read it, the Steel Corporation was perhaps 5 or 6 months old and men then representing still had the old notions toward labor. It was before the Steel Corporation policy was thought out and formed and put into execution. And I would not be surprised if that were the attitude of the men who were then looking after those questions which was the function of the executive committee. As I think back now and realize how a good many of the men that came into the corporation from the old companies felt toward labor, I can see how they would have felt that way about it; but it does not by any means represent the policy of the corporation.

Chairman WALSH. And the policy of the corporation at the present date?

Mr. PERKINS. Absolutely open shop, without the slightest prejudice one way or the other, I believe, toward the man, whether he is a member of the union or not.

Chairman WALSH. I believe you stated you were in favor of labor organizing?

Mr. PERKINS. I am. I believe labor, as I have said in my paper, should organize. They should have just the same right, I think, as business men should have. And when you come to great labor organizations the administrative power is, of course, placed in the hands of a few men, and I think therefore that they should be under Federal regulation just as the large business concerns should be.

Chairman WALSH. Well, under the present system of organization prior to the nationalization, if it ever comes, of big business, what form do you think the labor organization should take in dealing with the situation?

Mr. PERKINS. Well, there is no form they can take other than their present form until there is Federal regulation.

Chairman WALSH. What is the basis for your opinion, if you please, Mr. Perkins? What are the principles underlying collective bargaining that you believe make it a good business or a social agency or both?

Mr. PERKINS. Well, in the first place, I believe that every man should have the right to so exercise his freedom as to render the most good to the most people. I think collective bargaining comes nearer representing that notion than individual management. I think we have got to have large business units because of our modern methods of intercommunication, and I believe that as the large business unit is more constantly in the limelight, you can get better control of it through publicity and the natural exhibition of its affairs than you can of the small unit. For instance, for the sake of comparison, I think we have very little control of the Chief Executive of this country except as we get it through the searchlight of publicity, and I consider that all powerful for that purpose. The result is we have had very little difficulty with any of our principal Federal officers through their doing anything that was morally wrong, but we have had many instances where Government officials, smaller officials, State officials, have done wrong. The more light you get on a question the more safety you have. I think that in the large corporations another very important advantage of collective bargaining is that you minimize the selfishness and self-interest that always exists in man.

Take the Steel Corporation. As I have just said, we have paid out for this profit sharing over \$20,000,000 in a few years. The company is so large and its earnings are so enormous that it would be very difficult for any of us directors, who are stockholders, to figure how such a payment was affecting our individual pocketbooks; whereas you will find that a man who personally owns a concern is very loath to put in a profit-sharing plan, old-age pensions,

and such like, because he figures it right back to his pocketbook. Perhaps I can illustrate that by citing an incident which comes to my mind. A man in a large industrial concern came to me four or five years ago and said: "You have got a surprising organization in the harvester company, the men seem very much attached to the company. I am told your profit-sharing and pension plan is what accounts for it. I am thinking of adopting something of the sort, and want to talk with you about it." I told him all about it. He practically owned his business. He came to see me once or twice, but I heard nothing more about it. I met him on the train some time after and asked him what had become of it. He said: "I had to give that up; I could not do it. Why, it would cost me too much."

It came right back to his pocket, and he did not do it. I think, where you have a large aggregate of money and of men in a corporation, you can get a public-service atmosphere established that is much more advantageous to capital and labor than you can in the smaller units of business.

Chairman WALSH. Do you have any contracts with labor organizations in any department of either one of your companies?

Mr. PERKINS. They may have; I am not sure about that.

Chairman WALSH. Does it discriminate in any way against men who belong to labor organizations or who advocate that plan of action?

Mr. PERKINS. Not to my knowledge; no, sir; that is not the policy.

Chairman WALSH. Is there any policy in any department or in any field of either one of these industries to keep out what they call outside agitators or organizers of labor unions?

Mr. PERKINS. No, sir; I have never heard that discussed in either company, and we have practically had no committees wait upon us for several years. We have had a very satisfactory condition as to labor.

Chairman WALSH. In your studies of profit sharing, how many different corporations have you studied, Mr. Perkins?

Mr. PERKINS. Well, I studied a great many prior to 10 years ago. I have not studied many since because, as a matter of fact, speaking from my own knowledge of many of our American corporations that have adopted the profit sharing that we started in the Steel Corporation, the plan seems to have given very good satisfaction. The difficulty with most of the English plans and many of our American plans, has been that the profit sharing is profit sharing in name but far from it in fact. Most of the plans always contained something that tried to gouge the men or some little joker that was not fair to labor.

Chairman WALSH. Is there any department of either one of the two organizations that we have been speaking of where statistics have been kept on the question of profit sharing to cover other experiences?

Mr. PERKINS. In other companies?

Chairman WALSH. Yes, sir.

Mr. PERKINS. No; we have been too well satisfied with our own. Our own plan has been so vastly different from any other that we have not thought statistics would be of any advantage.

Chairman WALSH. Has there been any important changes made in the plan of profit sharing within, say, the past five years?

Mr. PERKINS. Not in principle. There has been some minor adjustment, but nothing to speak of.

Chairman WALSH. Have you observed any tendency among companies, which have profit sharing, to give less attention to sanitary work than after the introduction of profit sharing?

Mr. PERKINS. On the contrary, exactly the opposite has been my observation.

Chairman WALSH. Are employees who share in the profits less apt to be critical of insanitary working conditions than the other employees?

Mr. PERKINS. On the contrary—now, may I just take a minute on that?

Chairman WALSH. Yes; surely. Take all the time you wish on any of these questions.

Mr. PERKINS. A very interesting change has occurred in connection with that, namely, the men have come and said that now they had better conditions they would give better work. They used to feel that perhaps it was not proper to make suggestions. The barrier has been broken down and there has been more friendly intercourse. In fact, much that has been done in the way of improved sanitary conditions has been done at the suggestion of the men themselves who pointed out that it was good business to do it.

I remember—perhaps it is a good illustration—that we discussed for a long while in the harvester company the question of a minimum wage for the girls in the factories, and some time ago we adopted a minimum wage. We had had a long experience in the harvester company of constant changing in the twine mills; the girls would come and learn the business and then go somewhere else. We did everything we could to change that condition, but it did not seem to work. Then we introduced the minimum wage and almost immediately found that the percentage of girls remaining was higher, and it was only a short time until the managers came to believe that the extra efficiency obtained on that account more than made up for the increase in the wage we had established. And yet in all the different things that had been up for argument, pro and con, that particular thing had never occurred as a factor.

Chairman WALSH. Was the number of girls who remained steadily much appreciably higher?

Mr. PERKINS. Yes.

Chairman WALSH. Could you approximate how much higher?

Mr. PERKINS. Why, I don't remember now. It was some little time ago; it was perhaps 10 or 15 per cent.

Chairman WALSH. The logic of that would be that the establishment of the minimum wage in any industry would help to minimize the evils of the casual employment?

Mr. PERKINS. I would not feel competent to say that any industry that adopted it would experience that; but broadly speaking I should think that that would be true.

Chairman WALSH. Do you consider that it would be feasible for a large corporation such as either one of yours to have a condensed report as to living conditions, labor conditions made to stockholders along with the financial reports?

Mr. PERKINS. Yes, sir; I think that is going to be the next thing that will be required.

Chairman WALSH. Has it ever been done by any corporation that you know of?

Mr. PERKINS. No. We have made condensed reports of that sort in the steel company; in our annual meetings of stockholders, such statements have been made.

Chairman WALSH. Do you think it would be feasible to have condensed, clear, logical reports made as to labor conditions, conditions of living of the employees made to the general officers of the company and transmitted regularly with the financial reports to the stockholders?

Mr. PERKINS. Yes. One reason why we should have Federal incorporation is that just such reports should be required by the Government regularly.

Chairman WALSH. Do you know of any laws as to health, safety, comfort, wages, and all of those matters that affect the industry which have been worked out by any corporation and required by it?

Mr. PERKINS. No, sir.

Chairman WALSH. There have been no standards of that kind, no general standards of that kind that you know of?

Mr. PERKINS. No. I think that there has been no scientific standard worked out. I wish very much that we had a department at Washington, a national commission, a bureau of industrial relations that would collect such information and serve to bring the employer and employee together on these very questions; I think it would be greatly to the advantage of capital and labor.

Chairman WALSH. What proportion of men in the furnaces of the steel mills of the corporation at the present time are working 12 hours per day?

Mr. PERKINS. Well, very few; but some are working 12 hours a day; that is, they are not working, but they are on duty. I think that should be very carefully looked into. There is a very great difference between men being on duty and a man doing hard manual labor for 12 hours a day.

Chairman WALSH. What proportion of the employees in the steel mills proper, or what percentage of them are on duty 12 hours per day?

Mr. PERKINS. I could not tell you; a small percentage only, and a constantly decreasing percentage.

Chairman WALSH. Well, it appeared here that perhaps there were 50 per cent in 1912 in that department alone.

Chairman WALSH. Working 12 hours per day.

Mr. PERKINS. That could not be so. I would be glad to send you those figures if you would like to have them.

Chairman WALSH. I wish you would, please.

Mr. PERKINS. Yes.

(Mr. Perkins subsequently submitted the Printed Statement as to Wages, Hours, and Other Conditions of Labor Among Employees of the United States Steel Corporation and Subsidiary Companies, dated April 20, 1914, in which the statement is made that on that date only 22.5 per cent of the employees work 12 hours a day and that further effort is being made to improve conditions.)

Chairman WALSH. How about last month?

Mr. PERKINS. Last month was not quite as large as it has been in some other months.

Chairman WALSH. But the proportion of them to the whole employment in the mill last month that were working 12 hours per day?

Mr. PERKINS. Would you like that prior to March 4, 1912—before and after?

Chairman WALSH. That would be all right. What I was really asking for was last month to compare with the report that we have—the percentage.

I have been asked to ask you a question here: Does the rule on profit sharing state that the bonus is paid on each share of stock during the first five years only to loyal employees?

Mr. PERKINS. No, sir.

Chairman WALSH. The word "loyal" is not used?

Mr. PERKINS. Please do not use that word "bonus"; I have been having much trouble with that during all these years I have been lecturing around the country on profit sharing; it is the most pernicious word that can be used. A bonus is a gift. And these men do not want gifts and the corporation ought not to want to make gifts. A profit-sharing plan is a profit-sharing plan or it is not.

Now, we saying nothing about "royal"; all that is required under our plan is that the men pay for their stock and remain in the employ of the company and have the stock at the end of that time—the five-year period.

Chairman WALSH. The gist of this question, however, is, regardless of its wording, whether or not, in your opinion, the payment of these shares of profit sharing, if that is what you would call it, has a tendency to keep employees from protesting these onerous conditions such as I have enumerated?

Mr. PERKINS. That question has been following me for more than 20 years. The first time I experimented with this principle was when I was with the New York Life Insurance Co., when I organized many years ago there what was known as the Nylc Association, for which I was indicted after the insurance investigation. I was held up as a horrible example because, through the Nylc Association, the agents were tied up to the New York Life in such a way that they could not speak and could not live independently. That charge was never, however, made by a single man in the New York Life Insurance Co. It resulted in very great benefit, both to the agents and to the policyholders; in fact, two or three years afterwards, when things had quieted down, the insurance commissioner reported that the plan was of great value to the company.

Now, the same charge has been made from some quarters against this plan in the Steel Corporation, viz, that it is a nefarious device to make a slave of the man; to so bind him to the company that he can not say his soul is his own; but it will be impossible to prove that by the men themselves, and I should say that would be competent evidence.

Chairman WALSH. You have observed no such a tendency?

Mr. PERKINS. Not the slightest. As I said a few minutes ago, quite the opposite. Those men become interested. Let me tell you why we are anxious to have the workmen get their stock and pay for it slowly and then deliver it to them. The man who acquires something quickly, who goes out on the spur of the moment and buys something is naturally not so apt to regard that as highly as something that he has been a long while acquiring. Under our plan the man takes 10 cents a month or 50 cents a month out of his pay envelope and pays for this stock; he knows about it; his wife knows about it; some of the neighbors know about it; and after he has paid from month to month for three or four years and finally is handed that stock certificate he is not going to get rid of it quickly; he is not going right out and part with it.

Chairman WALSH. Not going to do what?

Mr. PERKINS. To part with it. And again, when a man wants to borrow \$25 he does not go out and hock his furniture, but he takes his certificate out of his pocket and goes into the bank and borrows the \$25 like any business man would and gets it at the same rate of interest. The men come to feel an interest in a certificate bought in that way. They do not part with it unless some unforeseen circumstance comes along.

Chairman WALSH. Do you know of any corporation, Mr. Perkins, who are working, directly working, through health, Federal Labor Department, and such Government agencies to better working conditions for their employees?

Mr. PERKINS. Do you mean through Government agency?

Chairman WALSH. Yes; through the Government to establish laws having that tendency?

Mr. PERKINS. I did not know there was any Government agency. There are the State agencies; just in the last two or three years State organizations have sprung up; but I do not know whether there has been any work—

Chairman WALSH. By State and Government agencies I mean all sorts of State as well as Government?

Mr. PERKINS. No; I do not. I personally feel that it is a pretty poor industry that will not support all that sort of thing out of itself. I believe that they should come out of the profits of industry, rather than through State provision, such as they have in Europe. I hope we will never have to do it altogether that way.

Chairman WALSH. At this point we will stand adjourned until to-morrow morning. We will have to ask you to return to-morrow morning at 10 o'clock. And I also wish to make the announcement that the session will be held in the aldermanic chamber.

(At 4.30 of this Thursday, January 21, 1915, an adjournment was taken until to-morrow, Friday, January 22, 1915, at 10 o'clock in the aldermanic chamber.)

---

NEW YORK CITY, *January 22, 1915—10 a. m.*

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Harriman, Ballard, Weinstock, and Garretson.

Chairman WALSH. The commission will please be in order.

You may resume the stand, please, Mr. Perkins.

#### TESTIMONY OF MR. GEORGE W. PERKINS—Continued.

Chairman WALSH. I have just one other question, Mr. Perkins, and then some of the commissioners desire to ask you some questions.

Mr. PERKINS. Mr. Chairman, you asked me for some information last evening as to the number of employees, wages, rates, and so on.

Chairman WALSH. Yes.

Mr. PERKINS. I find I have that now, if you wish it.

Chairman WALSH. Very good. I will be glad if you will furnish that first.

Mr. PERKINS. I will just read this, if you will allow me to, because I believe it covers directly what you asked me yesterday.

Chairman WALSH. Very well.

Mr. PERKINS. This is a report. I remembered, after you asked about written reports, and so on, yesterday, that we had had reports made to the board and stockholders on labor conditions, and so on; and one was made about a year ago, which, when I got home last night, I found among my papers. And I think it covers the points that you asked. Now, this was the report made just about a year ago on the conditions of 1913.

(Mr. Perkins then read as follows:)

"The rate of wages now being paid to our employees is the highest which has been paid in the iron and steel industry since that industry reached anything like its present proportions. There has been no reduction in wages since the advance made on February 1, 1913, which involved an increased expenditure of \$12,000,000 a year. During 1913 the average number of employees in the service of the corporation and its subsidiary companies was 228,908. The total salaries and wages paid to such employees was \$207,206,176. The average salary or wage per employee per day, exclusive of the general administrative and selling forces, was \$2.85; and the average salary or wage per employee per day for all employees, including the general administrative and selling force, was \$2.92. It is believed that during 1913, as in previous years, the average wage scale of the corporation was the highest in the industry. This wage scale has been maintained notwithstanding unsatisfactory business conditions and a steadily narrowing margin between prices and cost of production.

"In a communication hertofore addressed to the stockholders, you have been informed that the 12-hour day is confined almost entirely to these depart-

ments, such as the blast furnaces and rolling mills, where operations must be continuous throughout the 24 hours, although the hours of labor of the workmen employed in them are intermittent, because of intervals during the operations. The nature of these operations is such that the workmen are actually employed less than two-thirds of the time. Owing to the peculiar conditions controlling these operations, it is the practice in the industry to divide the day into two turns of 12 hours each, and the only change which could be made would be to divide the day into three turns of 8 hours each, but in that case the hours of labor would be so much reduced that remuneration to the workmen would necessarily be diminished. Our experience in eliminating seven-day labor shows that any plan under which the men earn less results in the loss of many of the best workmen, who seek and find employment where such restrictions are not enforced. Through the discontinuance of seven-day labor, upward of 4,000 men left our employment within a very short period of time during 1913 and found employment where they could earn their accustomed seven days' wages per week: notwithstanding this, we have adhered to the six-day schedule.

"From our investigations of the subject, it is believed that the 12-hour day is not physically detrimental to the men, because the work is intermittent, and for the further reason that the introduction of machinery has eliminated most of the arduous physical labor. In fact, those departments in which the 8-hour day prevails are probably more exhausting in their demands upon the men physically than the 12-hour shifts, owing to the continuous nature of the employment. We are not unmindful of the opinion expressed by the Fish committee—that the 12-hour day is detrimental to the social welfare of the men—because of the claim that 12 hours away from work is insufficient for rest and recreation and leisure at their homes with their families, and studies are being made to provide, wherever possible, suitable facilities to enable the workmen to enjoy as much leisure and recreation as the economic conditions of the industry will permit; but these conditions are not under the control of any one employer, however large, or of all the employers in any one industry."

Mr. PERKINS. I would like to emphasize that that difficulty comes from the State laws and regulations and practices in the different States; and if we had a Federal regulation it would be much easier to have hours of labor and that sort of thing enforced.

(Mr. Perkins continued reading, as follows:)

"Steady employment is a matter of vital importance to the workmen in any industry, and is of even greater benefit to them than shorter hours or higher wages. The welfare of the workmen and of the corporation is dependent upon the prosperity of the iron and steel industry in this country, which in turn depends upon good general business conditions. The general average of prices for iron and steel products, which has prevailed for nearly a year past, has been on a very low level and the margin between selling prices and cost of production is much smaller than has prevailed at any time during the past 15 years, with the exception of a short period in 1911, and affords a low rate of return on the actual value of the capital employed. The large tariff reductions have brought many of our largest markets into strong competition with foreign iron and steel makers whose employees work 12 hours a day at wages averaging 50 per cent or less of the rates paid in this country. Under all these circumstances it seems clear to the committee that such a radical change as the one suggested can not be made at present. Leaving out of consideration employees engaged on railroad trains, ships, and in general administrative work, only 22.5 per cent of our employees work 12 hours a day; and we are making efforts to further improve conditions."

Mr. PERKINS. You said yesterday you thought it was 50 per cent, and I said I was sure it was not that. These are the figures.

Chairman WALSH. Does that percentage apply to those in the steel mills proper or—

Mr. PERKINS (interrupting). Yes; this leaves out of consideration the employees engaged on railroad trains and general administrative work—

Chairman WALSH (interrupting). What is general administrative work?

Mr. PERKINS. Well, the president of the company, for one. I do not think he confines himself to any hours per day.

Chairman WALSH. Yes; and railroads?

Mr. PERKINS. Of course they are all regulated by law.

Chairman WALSH. Now, what else besides administrative work and railroads?

Mr. PERKINS. Ships.

Chairman WALSH. Ships?

Mr. PERKINS. Ships—shipping.

Chairman WALSH. How about the mines?

Mr. PERKINS. Well, including everything except railroad trains, ships, and general administrative work—only 22.5 per cent of the employees work 12 hours a day.

(Mr. Perkins continued reading, as follows:)

"The voluntary accident relief plan, established by the corporation before workmen's compensation laws had become operative anywhere in this country, has been successfully continued in all those States where it has not been superseded by such statutes. In those States where workmen's compensation laws have been passed our subsidiary companies have accepted such laws and endeavor to cooperate with the State authorities in their successful application.

"The amount paid in 1913 to and for our injured workmen, including expenditures both under our plan and under workmen's compensation laws was \$2,564,839. Thus 85 per cent of the total amount expended by reason of work accidents was paid out to the injured men and their families or in taking care of them.

"Our accident-prevention work has reached a high point of efficiency. Nevertheless experience and careful observation suggest improvements from time to time and they are promptly made. Effort is now being directed toward teaching the workmen habits of caution, making watchfulness against dangers to themselves and their fellows a matter of constant attention. It has been necessary to overcome recklessness and disregard of dangers, which had come to be treated as customary risks of the trade, against which the men would not take any precautions; to teach them that taking risks will not be permitted.

"The cost of safety work in 1913 was \$660,563.

"Serious accidents per 1,000 employees are now 33½ per cent less than in 1906, when this work was first taken up by the corporation. This means that 2,273 men, who might have been injured under earlier conditions, were saved from serious injury during the year.

"The pension fund has proved so satisfactory that no changes of any moment have been required. The number of pensioners continues to increase with a corresponding increase in expenditure. This plan has been made to work more smoothly in some of its details and in its relation to the accident relief plan. Total number of pensioners December 31, 1913, 2,062; number of pensions granted during 1913, 425; total amount paid in pensions during 1913, \$422,815.14; average age at which pensions were granted, 63.73; average service of pensioners (years), 28.82; average pension granted (monthly), \$20.85.

"Employees' stock subscription plan: On December 31, 1913, more than 35,026 employees were stockholders under this plan. Their aggregate holdings amounted to more than 146,462 shares of stock. It is impossible to ascertain how many employees, in addition to those yet receiving the special benefits that continue for five years, hold stock upon which these special benefits have ceased to be paid, but it is believed that the numbers would greatly increase the figures here given. The subscriptions for 1914 show that 46,498 employees subscribed for a total of 90,606 shares of stock.

"In sanitation many improvements have been made in the proper investigation and observation of water supply and distribution to the men. All sources of drinking water are analyzed periodically. Great care is taken against possible pollution. The most modern and sanitary methods are used in the proper cooling and distribution of water, including the sanitary drinking fountain. The common drinking cup has been practically eliminated. The investigation of water supplies and the installation of drinking water systems alone cost \$130,000 during 1913. The common or roller towel has been abolished. Wash rooms, shower baths, and lockers, started in earlier years, have been extended. During 1913 there were installed 1,193 washbasins, 210 showers, and 15,471 lockers. Two additional swimming pools for general use in the mining towns were built during the year. The cost of providing washing facilities for 1913 was \$141,000. The total cost of sanitary work during the year was \$564,977.

"In welfare work of a character not covered by the plans already mentioned for benefiting the workmen, our companies have tried many interesting things. They now maintain in the populous districts around their plants 101 children's playgrounds, with an average daily attendance during last summer of 8,688 children. At a number of the plants visiting nurses are available.

"The aggregate expenditures during 1913 for improving conditions among workmen of the United States Steel Corporation were as follows:

Relief for men injured and the families of men killed which is paid in all cases, regardless of legal liability-----	\$3, 013, 638. 12
Accident prevention-----	660, 593. 84
Sanitation and welfare work-----	1, 600, 242. 00
Pension fund, which provides support for superannuated employees:	
(a) For pension payments-----	422, 815. 14
(b) Additional benefit payments and administration cost-----	43, 379. 54
(c) For the creation of a permanent fund, to be completed in 13 years-----	500, 000. 00
Employees' stock-subscription plan, approximately-----	1, 000, 000. 00
Total expenditures for improving the condition of workmen-----	7, 240, 669. 33

Mr. PERKINS. I think those figures substantially cover your question.

Chairman WALSH. Commissioner Ballard asked me to suggest if it would be possible to send one of those printed documents to each of the commissioners?

Mr. PERKINS. With pleasure. I would be very glad to do so.

Chairman WALSH. Do you consider it necessary to the success—to the permanent success of a large industrial organization, and to the welfare of the people engaged in it, when it becomes highly organized or centralized, that a definite and businesslike survey should be constantly kept, covering labor conditions and the conditions of the working people in the industry, which information should be kept at the constant command and under the notice of the management or directors of the corporation?

Mr. PERKINS. I think that is highly necessary; I would go further than that and say that it should be at the command of all public authorities, and that there ought to be some law requiring the filing of such information, just as there is a law requiring the filing of a financial statement.

Chairman WALSH. From your experience as a director and manager of these large concerns, is it perfectly feasible to do so, if one is willing and desirous to do so?

Mr. PERKINS. Yes, sir; and I think it is far more important than to keep up a constant inspection of the machinery of the plant. If the machinery of a plant is worth inspection and keeping in repair and in proper condition, certainly the men are.

Chairman WALSH. Could reports be made as definitely and in as businesslike way in regard to those conditions as in regard to the other conditions?

Mr. PERKINS. Yes. I think the report which I have just read is an illustration of that.

Chairman WALSH. Shortly before adjourning, I was handed a question to ask you, the gist of which is, does the opportunity to share in the profits of your concern, by taking stock, depend upon what might be called the loyalty of the employees to the organization—to their work?

Mr. PERKINS. No, sir; except possibly if you regard loyalty as interest. The fund which I spoke of yesterday that we contract to put aside, \$3 on certain stock and \$5 a year on other stock, is dependent on a man going on and paying up in full for his stock and obtaining it at the end of the five years, the idea being to get him to continue with the business. As to using the word "loyalty" in the sense that his freedom of speech or freedom to criticize is affected, there is nothing of that kind involved.

Chairman WALSH. There seemed to be some difference, and it might be well to have this thoroughly understood. The gist of the suggestion was this: You having spoken of the right of the employee in industry to share in its product in this way, and that it was not a benefaction.

Mr. PERKINS. Yes.

Chairman WALSH. I think the kernel of the suggestion was, was it optional on the part of the employer to give that right to the employee only if he considered the employee deserving and loyal?

Mr. PERKINS. No, sir; when the plan of the corporation was formulated, it was made perfectly clear how each man should share. There was nothing left to discretion. These men buy their stock, and all that is required of them is that they remain in the employ of the company in general good standing.



Chairman WALSH. These further suggestions were made to me this morning, following that inquiry, and you may answer them in your own way. From the circular of 1902, December 31, 1902, signed by yourself, upon this subject, is the following [reads]:

"If he will not sell or part with the stock, but will keep it, and in January of each year, for five years, commencing with January, 1904, will exhibit the certificate to the treasurer of his company, together with a letter from a proper official, to the effect that he has been continuously in the employ of the corporation or of one or the other of its subsidiary companies during the preceding year, and has shown a proper interest in its welfare and progress, he will during each of such five years received checks at the rate of \$5 a share a year. For example: If a man buys one share of this stock in January, 1903, he will undertake to pay \$82.50 for it. If after paying for it he keeps it for five years he will in each year have received dividends at the rate of 7 per cent on the par value of the stock, and also will have received each year an extra dividend, so to speak, of \$5; this latter sum being paid him as special compensation for rendering continuous faithful service to the corporation or to one or another of its subsidiary companies, as shown by the exhibition of his certificate together with a letter from a proper official showing that he has worked to promote the best interest of the company in which he has thus become practically a partner."

Chairman WALSH. That appears in that circular?

Mr. PERKINS. Yes, sir.

Chairman WALSH. And in the same circular is the following [reads]:

"This fund"—I am omitting a portion of it, Mr. Perkins, and if you deem it necessary I will go back and put that in.

Mr. PERKINS. No. I know what that is.

Chairman WALSH. It continues [reading]:

"This fund shall be credited with 5 per cent annual interest, and at the end of the five-year period the total amount thus accumulated will be divided into as many parts as shall be equal to the number of shares then remaining in the hands of men who shall have continued in such employ for the whole five years, and the corporation will then by its own final determination award to each man whom it shall find deserving thereof as many parts of such accumulated fund as shall be equal to the number of shares then held by him under this plan."

Mr. PERKINS. That is right. I devised that plan and drew the circular. It was discussed for a long while and adopted as you have it there. There are two points, I take it, which you wish to bring out?

Chairman WALSH. The question is whether the power is not absolutely in the manager of the company in regard to setting aside this award, to do so at his option, and if he can not withhold this from the employee if he considers him undeserving, and, of course, if he has full power, it is dependent upon his mind vision as to whether the employee is deserving and whether he has been devoted to his work or wandered away from it, or whether complaint has been made that he is an agitator or something like that, or that he is unfit for other reasons.

Mr. PERKINS. There is another point. A man who has his certificate for four or five years—he only gets that allotment of money if he has a certificate to show. The two points we wished to guard against were these: As explained in that circular the first offering was of preferred stock at \$82 a share.

Chairman WALSH. Eighty-two dollars and fifty cents.

Mr. PERKINS. That stock was taken by a good many men and they were credited with the 7 per cent dividends at par on the stock and charged 5 per cent interest on the deferred payments. Then we put into the fund each year \$5 a share, and at the end of five years the men who still had their stock and were paid up on it were entitled to those five payments on their stock. We did not give the stock to the men, but held it for five years. Everyone knows how many people are always hanging around mills, trying to inveigle the men into doing something that is not to the interest of the men, but to the interest of those who are trying to get them to do it. We knew that if we let the men take their stock and paid this \$5 each year the price of the stock at the end of the first year would be \$77.50, at the end of the next year \$72.50, and at the end of the next year \$67.50; and if that stock was then selling at \$90 a share there would be some shark who would come around and get the man to sell his stock. That is the reason why that was put in. The reason we put in those careful restrictions as to why he would get this \$5 at all was because

there was some questions as to whether legally the directors had the right to pay what is practically an extra dividend to a certain group of stockholders. No one outside of the corporation was getting over 7 per cent on the stock, and the question might arise as to why these stockholders were getting an extra dividend of \$5 a share on the stock. We could not legally do that—that is, there might have been some question about it, at any rate—without some equivalent, and that equivalent was that the men would remain in the service of the company, and so forth.

I have never known of a case where a man raised the point that we were unjustly depriving him of any of these payments, and I think investigation among the thousands of our men would not disclose such a case. So you understand why we did it was because we were possibly making a class of preferred stockholders in that way.

Chairman WALSH. From the circular of 1909, dated January 5 of that year, signed Richard Trimble, secretary, the following language, this suggestion, is also found—I might omit the first part of it and come down to the second, as follows [reads]: "Has shown a proper interest in the progress and welfare of the company," and also in the circular of 1910, issued in January of that year, also signed by Mr. Trimble, this is made conditional upon the fact that he has shown a proper interest in the welfare and progress of the company. I assume, unless you desire to add to it, that that question is answered the same as the others?

Mr. PERKINS. Yes. And I would like to make the additional answer that we also desire to make these men partners in the company. We want them to feel that they have an ownership advantage from their financial status in life, and that may mean as much to them as a thousand or more shares would to a man more fortunately situated.

Chairman WALSH. Could there be any way devised by which the employees could get the stock without any restrictions of that character? Could they have the legal right to do it under certain circumstances?

Mr. PERKINS. At what time? He has a legal right, of course, at the end of this period.

Chairman WALSH. But I mean to get all the benefits of it, leaving out, without passing upon the question by the employer as to whether he was a deserving man or not; as to whether he had shown a proper interest in the welfare and progress of the company. Would that be possible legally?

Mr. PERKINS. Well, as I say, that question is open to debate. But we did not want to take any chance of having it said a little later on that we could not carry out this arrangement with the men, and being criticized for it; and we tried the best way we could to issue the circular so that under no circumstances could we fail to be able to carry out our promise to the men.

Chairman WALSH. If it was legal, do you think it would be more advisable to do it that way?

Mr. PERKINS. I think it would be if some such arrangement as that could be established. But I do not think the stock ought to be given to the men until it is entirely paid for, and the period of time has expired, because the whole benefit of such a plan is that the men remain stockholders in the company and save their money.

Now, the men who buy the stock and pay 50 cents a month, or \$1 a month, or 25 cents a month are prevented from buying a good many knickknacks that are brought to the gates; their subscription prevents their fooling their money away. It enables them to save money and keep it. It is pretty hard for a man working for \$3 or \$4 a day to go to a savings bank and put in 25 cents a week. It is not very exciting, nor does it encourage him to ever get any money ahead; but under a plan like ours the man sees that if he puts away a few cents a week at the end of five years he has got a very advantageous investment and he is encouraged to go ahead and do it. He sees the plan laid out to help him if he does do it. If he does not do it, and happens to get a little money ahead somebody is likely to come along with a plush chair or something of that sort, and instead of saving money, he will buy it.

Chairman WALSH. Commissioner O'Connell would like to ask some questions.

Commissioner O'CONNELL. Mr. Perkins, I want to get to those figures again, of the percentage of 12-hour employees.

Mr. PERKINS. Yes, sir.

Commissioner O'CONNELL. I understand from your figures the men that are working are about 22 per cent?

## 7616 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

Mr. PERKINS. Yes, sir.

Commissioner O'CONNELL. Outside of the clerical force and the force on the ships and the railroads?

Mr. PERKINS. Yes, sir.

Commissioner O'CONNELL. What percentage of the employees of the mills proper, the steel mills, are working on 12 hours?

Mr. PERKINS. Well, as I said yesterday, I would have to get that. I do not think this statement gives that percentage. It is a small percentage, though.

Commissioner O'CONNELL. Have you a copy of the report made by a committee of stockholders?

Mr. PERKINS. There was such a report that was made two years ago or such a matter.

Commissioner O'CONNELL. April 15, 1912.

Mr. PERKINS. Yes; it is about three years ago.

Commissioner O'CONNELL. For your information, let me read.

Mr. PERKINS. Yes.

Commissioner O'CONNELL. On page 5 of this report: "The 12-hour day. To ascertain the number of employees of the Steel Corporation working on 12-hour schedules, exclusive of officers, managers, and clerical force, we have examined the records of 175,715 men. Of this number we find 45,248, or 25½ per cent, are at present working 12 hours per day. Generally speaking, this schedule confines itself to the largest proportion in these departments which are more or less continuous, such as the rolling mills, open hearth, blast furnaces, where the percentage working 12 hours varies from 50 to 60 per cent."

Mr. PERKINS. The statement that I just read said that it was in the rolling mills, blast furnaces, and so forth, where it is a continuous industry, and where it is necessary to have either two shifts or three shifts. I think you will find the paper I have just read will cover that.

Commissioner O'CONNELL. At the Homestead mills I find from the figures taken from the Government reports that out of 6,517 employees, 4,456 worked 12 hours, or a percentage of 68.

Mr. PERKINS. Well, you see, you have taken a continuous-industry mill. In another mill where it is not necessary to work continuously you may not find it over 8 per cent.

Commissioner O'CONNELL. If we were to take away from the steel industry all the things entirely outside of such mills that are spoken of, which are, I take it, where the most laborious work in connection with the steel industry is performed?

Mr. PERKINS. It is in continuous industry.

Commissioner O'CONNELL. And the heated work. In round numbers, what percentage of these workmen are on the 12-hour basis?

Mr. PERKINS. I think my paper said about 22 per cent of them are, so that in those mills I should think that it would be perhaps 8 per cent. It is just a guess. It would be very small for the whole way through.

Chairman WALSH. Commissioner Weinstock would like to ask some questions.

Commissioner WEINSTOCK. Can you tell us, please, offhand, Mr. Perkins, what is the volume of shares of stock that from the beginning of this profit-sharing policy has been issued to the workers?

Mr. PERKINS. No; I could not give that.

Commissioner WEINSTOCK. Do you know—

Chairman WALSH. Pardon me, Mr. Weinstock, but Commissioner Garretson requests that you speak a little louder. He says he can not hear you at all. I notice you have a bad cold, but kindly try to do a little better than that. Mr. Garretson says he can not hear you at all.

Commissioner WEINSTOCK. Can you tell us offhand, Mr. Perkins, what proportion the shares held by workers bears to the whole issue of stock?

Mr. PERKINS. No, sir; I could not say that.

Commissioner WEINSTOCK. Could you approximate it in any way?

Mr. PERKINS. No; I could not. But I am sure the corporation will be very glad to send that to you.

Commissioner WEINSTOCK. You think it equals 10 per cent of the whole?

Mr. PERKINS. No; I do not think it is as much as that, because these shares are held by a large number of people in very small amounts. Our idea was not to tempt the men to try to buy too much. We did not want them to feel that they would not have anything to put into the home or to buy other things they want. We just wanted them to feel that they had an interest.

Commissioner WEINSTOCK. They were permitted to buy, I suppose, what you might call treasury stock?

Mr. PERKINS. No; there is no treasury stock.

Commissioner WEINSTOCK. There is no treasury stock?

Mr. PERKINS. We buy the stock in the open market.

Commissioner WEINSTOCK. And you sell to them at cost?

Mr. PERKINS. It is not a question of cost. We buy it at whatever it is in January, and we sell it to them at a point or two below the then market, whatever the market is.

Commissioner WEINSTOCK. Who bears the loss?

Mr. PERKINS. The corporation, if there is any.

Commissioner WEINSTOCK. What would happen if no stock was available on the market?

Mr. PERKINS. I do not recall that that has ever happened in the Steel Corporation.

Commissioner WEINSTOCK. I see.

Mr. PERKINS. I think, perhaps, Mr. Commissioner, I can give you some light on that. A great many people have come to me for advice about profit-sharing plans, because they know I am interested in the work. I have had a great many concerns come back with the question, "How can we use this plan? We have no stock." I presume that is what you are thinking of.

Commissioner WEINSTOCK. Yes.

Mr. PERKINS. And that is one of the reasons why I have come to feel that the corporation is much the better form of business for labor, because there is stock. In a business in which there are only half a dozen partners, it is very difficult to get the employee interested; do you see?

Commissioner WEINSTOCK. Yes. Now, I gathered from your statement yesterday, Mr. Perkins, that you look upon profit-sharing practically as the missing link between labor and capital?

Mr. PERKINS. Decidedly. I have for many years.

Commissioner WEINSTOCK. And you think that that is the primary remedy for industrial unrest?

Mr. PERKINS. Yes, sir. Let me say, also, that I hope to see the day when a concern doing business outside of any one State must go to Washington and get a charter or license. I consider that when a group of men have a business that they wish to exploit all over the world they are asking for a privilege; they are asking a good many people to intrust money to them for that purpose, and they are asking labor that can not be in touch with the direct head management to trust them, and they are asking the consumer to trust them. I think they ought to realize that theirs is a very great trust in the truest sense of the word, and that they should really want the Federal O. K. on all their acts in return for that privilege.

Now, it seems to me that by getting that privilege they can go on and do a great many things that a smaller concern is unable to do, and that, having organized in this way, the first thing that should be done is to exhibit to the Government the plan of their organization. I think that, first of all, the money for the capital should be paid in dollar for dollar in cash, and then I think a plan should be worked out by which a company would say, we pay the interest on our bonds, then we pay the dividends on our stock—the stock having been paid in as fully as the bonds—and then whatever money we are able to make over and above that shall be divided between the stockholders and the laboring men; that the laboring man is supposed to have earned his wages through having earned the interest on the money that was put in the business. If he earns a surplus above that, such surplus should be shared with him and with the stockholders. I think that is the plan that should be worked out, and I think Federal incorporation should include some such stipulation. In this way the company would have a profit-sharing plan through which every employee could be interested in the company, and the permanency of such a company would be far greater because every single man would be working for its success. It would tend to minimize the friction that exists all the while—that used to in days gone by—in many companies between the employer and the employee. They stand off, glare at each other, and do not work for the same thing. The man with the wage takes the wage and goes home and forgets the business, whereas the manager of the company—the owner of the company—never forgets the business night or day.

## 7618 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

Commissioner WEINSTOCK. If the profit sharing is the missing link to minimize industrial unrest, to bring about a more cordial relationship between the worker and the employer, it must then be applicable to the common conditions?

Mr. PERKINS. Yes, sir.

Commissioner WEINSTOCK. And not confined to the high spots, as it were?

Mr. PERKINS. Quite right.

Commissioner WEINSTOCK. In the industrial world?

Mr. PERKINS. Yes.

Commissioner WEINSTOCK. Now, if it is to be generally applied, do you think it can be applied not only to the great corporations but to the smaller enterprises and to the partnerships?

Mr. PERKINS. I do, provided that men will but learn that it is possible to do business in the open. There are a great many men in this country doing business to-day who feel that it is necessary to do it in secret, and that their employees must not know what profit they are making. I believe that feeling is confined more generally to the small firms than it is to the large corporations. I feel that a study of that question by your commission is all important.

Commissioner WEINSTOCK. Well now, further, if profit sharing is the cure, then it must be a system that is not only a sunshine system but also a winter system?

Mr. PERKINS. Absolutely.

Commissioner WEINSTOCK. That it must stand the test of all conditions?

Mr. PERKINS. Correct.

Commissioner WEINSTOCK. Now, admitting that while there is prosperity and while there are profits to the shares that that would tend to bring about a higher feeling of contentment and interest on the part of the worker, what is likely to happen if the opposite takes place? For example, take your own company.

Mr. PERKINS. Yes.

Commissioner WEINSTOCK. Supposing there were conditions beyond the control of the management, and that you should have several succeeding adverse years when there would be no profits to divide. On the contrary, there might be a deficit. What is likely to be the frame of mind of the worker under those conditions?

Mr. PERKINS. Well, I regret to say, Mr. Commissioner, that that is the immediate situation in the Steel Corporation. Conditions beyond the power of the management to control are such this January that, for the first time since the corporation was organized, we have no profits to divide. We, of course, regret this exceedingly. We have notified the men, and, so far as I know, there has been no complaint whatever. The men understand it perfectly, and they understand the reasons why. They are content, because our whole policy from the beginning has been absolutely in the open. We publish annual statements in such detail and form that they know, and always have known, what our full operation was, and all that, and they know that present conditions have not come through mistakes of the management but through causes beyond the control of the management.

Commissioner WEINSTOCK. Do the workers have representation on the board of directors?

Mr. PERKINS. No; but that matter has been considered quite a good deal lately. I believe in it and think it should be done.

Commissioner WEINSTOCK. Now, if the present unfortunate condition in your company should continue—nobody can guarantee that it will not continue for several succeeding terms or years—is that feeling of contentment and satisfaction that you have pointed out not likely to be replaced by a feeling of discontent and dissatisfaction? And are they not likely to hold the management responsible for lack of dividends and in that way arouse a feeling of discontent and dissatisfaction?

Mr. PERKINS. Well, I personally believe in the intelligence of the workmen. I believe absolutely in their fairness, and I think their intelligence as to what is the cause of the present depression in the steel industry and other industries in this country is too great to permit of our being in any danger on that score. They know perfectly well that it is the tariff that has made this situation. They know perfectly well that this country can not continue to prosper under the present tariff and that therefore sooner or later there will be a change in the situation.

Commissioner WEINSTOCK. You hold the tariff responsible for the depression in the steel industry?

Mr. PERKINS. I do; and largely for our general depression—the present tariff bill.

Commissioner WEINSTOCK. Then the remedy would be a protective tariff?

Mr. PERKINS. The remedy would be a tariff on a nonpolitical basis. We must get a tariff that will protect labor. However, I presume that is not a subject for discussion here.

Commissioner WEINSTOCK. Anything that affects the welfare of labor is in order, I think, here.

Mr. PERKINS. Mr. Commissioner, I wish you would go into that very seriously. Personally, and quite outside of politics, I can not see—and I have studied it a great deal—how it is possible under our tariff to do business at a fair profit against the labor conditions of Europe. Intercommunication is so complete that you can buy and sell to-day almost by wireless. You can purchase your goods at great distances with great rapidity. We have got to reckon with the fellow of other countries. The competition that we should be preparing to meet is not among ourselves, but from and with the rest of the world.

Commissioner WEINSTOCK. In that matter, Mr. Perkins, what is the attitude of the employer, first, toward unionism? We have had different employers appear before us here who have looked at unionism from different angles. For example, we have had before us, in Denver, Mr. Welborn, the president of one of the large coal companies of Colorado, and on the question of unionism this was his attitude: He said that, as near as I can recall his language—I am not quoting him verbatim, but I think I recall the sense of what he said—that we have not any objection whatever to labor organizing; it is their right and their privilege, and they are entirely at liberty to do so; but he reserved to himself the right not to recognize and not to deal with them. We had the point of view of another employer who was on the witness stand yesterday, and doubtless you heard him—Mr. Berwind.

Mr. PERKINS. Yes; I heard the latter part of his testimony.

Commissioner WEINSTOCK. Whose opinion was that labor had not profited much by organization; that the betterment of labor must depend much more largely upon legislation than upon organization. In other words, he gave very little credit to organization for having bettered the condition of labor. May I ask, if it is in order, if that is your attitude on the question of organized labor?

Mr. PERKINS. I think that the organization of labor has bettered labor conditions without any question, just as I think the organization of business has, where practiced, bettered the conditions of business. There are two or three things that I think could be done that would help very materially in adjusting and reconciling these conditions in business. For instance, I believe that the business of the country has not been allowed to organize and has been throttled and repulsed and repelled through actions under the Sherman Act, while labor has been allowed to organize and has been given more latitude of organization. This has made the business man and the employer say: "It is not fair to do that, and I will not recognize this other organization because it is allowed to organize and I am not." Now, I think that can be adjusted through the incorporation of labor and through the enactment of law that will permit the legal incorporation of businesses. I think such a course will largely do away with much of the present maladjustment. I think you will find that many men who say offhand that they do not believe in organized labor and will not recognize it, would recognize it if it were given a legal and responsible status.

Commissioner WEINSTOCK. Well, from your observations, Mr. Perkins, and your study as a student of the economics of the problem, what do you think would be the condition of the worker in this country if all labor organizations were wiped out?

Mr. PERKINS. Why, I think there would be chaos, just as I think there would be chaos in business if all organization were wiped out. We have come to the period of cooperation. We have got to do business from the standpoint of what is best for society as a whole; and we can only do that by getting together and doing it in groups.

Commissioner WEINSTOCK. Your judgment, then, is that labor, in its own interest, ought to organize?

Mr. PERKINS. I think it should organize, but it should organize legally under proper laws and under proper responsibility, and I think business should organize, and that it is just as important for business to organize and be allowed to organize, under proper laws, in view of its responsibility and duties to the community as a whole.

Commissioner WEINSTOCK. What should be the attitude of the employer of organized labor?

Mr. PERKINS. I think capital should recognize organized and responsible labor just as labor should recognize organized and responsible capital.

Commissioner WEINSTOCK. What have you noted to be the weak spots in organized labor?

Mr. PERKINS. The same weak spots that were in organized business up to a few years ago—a tyranny and a disregard for the rights of others; the pursuit of their objective from too selfish a point of view. Business has done the same thing; but I think that during the last four or five years, in both cases, there has been a better understanding, and that employer and employee have been getting together on a better basis. Because of the lack of proper laws and for want of a Federal commission, the National Civic Federation, which some of us have been interested in for a great many years, has done very much to bring about a better understanding. On that board, as you know, there are representatives of labor and representatives of business and finance; and we meet and look at each other and talk things over and find we are not such bad fellows after all.

Commissioner WEINSTOCK. In other words, you found contact wipes out prejudice?

Mr. PERKINS. Exactly. That is right, sir.

Commissioner WEINSTOCK. And that the best way to bring about a better mutual understanding is by getting together?

Mr. PERKINS. Yes, sir.

Commissioner WEINSTOCK. I have been asked to submit this question to you, Mr. Perkins: Does anyone going on a strike in any of your companies lose his right to the share or shares of stock for which he has subscribed, but which are still unpaid for at the time he goes out?

Mr. PERKINS. We have had very little strike trouble; just little incidental disturbances. I have never known of any case where a man has been deprived of his stock for any cause; he can, in any case, take his stock. For instance, if he leaves the company and goes to some competing company, he can take his stock and pay for it, or he can draw the money he has deposited on account of it, with interest; so there is no loss in any event.

Commissioner WEINSTOCK. That is all, Mr. Chairman.

Chairman WALSH. Mrs. Harriman would like to ask you some questions.

Commissioner HARRIMAN. Mr. Perkins, I would like to know if you believe that without the present tariff bill the business depression would still be here, owing to the European war, or not?

Mr. PERKINS. I believe that if we had a proper tariff our business would be infinitely better than it is. I think, to answer your question almost brutally, that if the present war did not exist and the present tariff was in existence our present industrial condition would be vastly worse than it is, and I think that when the war is over, if this tariff has not been changed by that time, we are going to see conditions very much worse than they are now.

Commissioner HARRIMAN. That is all, Mr. Chairman.

Chairman WALSH. Commissioner Ballard would like to ask you.

Commissioner BALLARD. Mr. Perkins, I gather from your testimony that you personally believe in organized labor as it is and also I gather that the Steel Corporation does not treat with organized labor. Would it be possible at the present time for organized labor and organized employers to get together and agree on certain fundamental principles as cardinal principles which each side should always recognize, and would that make it more tasteful to treat with organized labor?

Mr. PERKINS. Now, for one thing, you say you gather that from what I have said. I hardly think you could have gathered that if I have made myself clear. I did not mean to say I believed in the organization of labor as it is; I said I thought organized labor had helped labor; but I also said I felt that labor should be required to incorporate and be under Federal regulation and to be of known responsibility in its negotiations, which is not now the case. I think that with that done labor would find itself able to treat with large business in a way that it is not able to do now. But, of course, if that is done, then business should be allowed to organize, and to do so in the open and by recognition of Federal law.

Now, while labor conditions and labor's relations with capital are not satisfactory, they are much better than they were four or five years ago, but business conditions in a way are very much worse than labor conditions, because the large business or corporation in this country to-day has no idea how it can do business. Let me cite the following as perhaps a striking illustration of what I mean:

We have in this country, as you know, a number of circuit courts. They are the courts next below the Supreme Court. All legal questions are filtered through these courts up to the Supreme Court, and they are known as the different district courts. Only a few weeks ago the court of the ninth district, sitting in St. Paul, interpreted the Sherman law in the suit against the harvester company and said that the harvester company was absolutely all right on all moral questions, and gave us a clean bill of health, but said that because of our size we should be dissolved under the Sherman Act. Five or six weeks later, another court, the court of the third district, sitting in Philadelphia, in deciding the case of the Keystone Watch Co., said that size was no crime; that the Keystone Watch Co. had done a few things that were not right, but had done a great many things that were right, and the court refused the Government's request that it be dissolved. The court said the Government should have asked for an injunction, and not for dissolution. Now, here are two courts of equal power taking absolutely opposite views of the Sherman law. How is it possible for a business man to know what he can do under such conditions? This has been the case for 20 years.

Commissioner BALLARD. But will not those two cases go to the Supreme Court?

Mr. PERKINS. We hope so and believe they are going. But you can imagine the hampering conditions under which business men have had to do business when no one can tell them what the law is.

Now, I believe with Justice Hughes, who, when he was governor here, said, in his famous Youngstown (Ohio) speech that "it should be the function of law to define and punish wrongdoing, but not to throttle business."

Commissioner BALLARD (interrupting). But now, Mr. Perkins, although that has been the case for 20 years—

Mr. PERKINS (interrupting). I know, but 20 years is a pretty long while to get at business foundations. Until we get conditions straightened out and a clearly defined basis on which business can be done—

Commissioner BALLARD (interrupting). I had in mind, Mr. Perkins, that if labor unions and employees could agree on some fundamental principles, corporations who will not now treat with organized labor would be much more willing to do so.

Mr. PERKINS. I think so, too, sir.

Commissioner BALLARD. You have that thought also?

Mr. PERKINS. Yes, sir.

Chairman WALSH. Commissioner Lennon wishes to ask you a question.

Commissioner LENNON. Mr. Perkins, how does the labor cost per unit of production of steel rails of this country compare with that of European countries?

Mr. PERKINS. I can not give you any of those technical figures. You will have to get those from an operating man.

Commissioner LENNON. You were speaking about the responsibility of organized labor in the matter of contracts and transacting business with them. Has your experience as a business man shown that the unions in entering upon agreements are less faithful in carrying them out than are the employers?

Mr. PERKINS. Well, I don't know that I am qualified to answer that. I think there have been a good many instances of fault on both sides. I think the capitalistic side, on the whole, has been more in error than the laboring side.

Commissioner LENNON. What are the principal nationalities employed in the steel industry—iron and steel industry?

Mr. PERKINS. Oh, I might say, almost all nationalities.

Commissioner LENNON. What was the situation as regards nationality when you began in the industry?

Mr. PERKINS. Well, I hardly think there was very much of any difference, but I would not be qualified to give a positive opinion on that.

Commissioner LENNON. When you began were the rollers and the heaters and the other skilled men in the industry as largely foreign born?

Mr. PERKINS. Well, I have not been in the operating departments, and I could not answer that with enough accuracy to be confident of my opinion.

Commissioner LENNON. That is all; thank you, Mr. Chairman.

Chairman WALSH. Commissioner Weinstock says he has one more question.

Commissioner WEINSTOCK. Just one more question, Mr. Perkins. You made the statement that you would be in favor of recognizing organized labor if it was properly constituted, if it was incorporated; and I take it the thought in your mind there was that being unincorporated there is a lack of responsibility and that the tendency therefore would be for contract breaking on the part of



the workers, and that it is not worth while to do business with contract breakers. Well, now, I am frank to confess that I was in the same frame of mind that you are now when we first began these investigations. I find that there have been contracts on the part of labor in the various industries, but I have also become satisfied from the education that I have received during the past year or more, that there are very large bodies of organized labor who look upon their contracts as sacred. Take the railroad men, for example—

Mr. PERKINS (interrupting). Yes.

Commissioner WEINSTOCK (continuing). Take the glass-blowers' industry, where we had a representative of the employers' association testify that they had been dealing with organized labor for 25 years and during all that time there had been no strikes; and that the relationship had been so satisfactory that when disputes arose, they themselves selected as the arbitrator the president of the union, and accepted his decision, because they had always found him fair and reasonable. Now, that would indicate, then, that while there are contract breakers among the unions, the great body of unions more and more are learning to respect their contracts and treat them as sacred, and that they keenly appreciate the moral value of an agreement. Do you not think with the tendency upward in that direction, the time has arrived when the employers can afford to take a chance on that?

Mr. PERKINS. I agree with a very large part of what you say, and it is my experience that that is the tendency of labor organizations, and very markedly so. But I do not think that is the point. There is, above everything else in this country, among all of us, a desire for fair play, a quick response to the question, Is this fair or is it unfair? And I think the big difference between the employer of labor and labor is the feeling on the part of the employer that he can not get fair treatment from his Government; that his Government is more inclined to give labor fair treatment, more inclined to recognize labor and its right to organize than it is to recognize that principle in business; and until you do something for business to iron that out you will not get the proper atmosphere that will enable them to get together. In other words, what is good for the one ought to be good for the other. If the principle of organization is a proper one to recognize for labor, it is a proper principle to recognize for business. But it carries great power with it. It ought to be accountable to somebody. Mr. Gompers and I sit at the Civic Federation together when a great many of these questions come up. He carries vast responsibilities for the great work he is doing, and Judge Gary, on the other side, also carries vast responsibilities. Those men have been pioneers in the work they are doing. But as they are succeeded, one after another, some man will come along some time with perhaps not the same ideals that those men have. Now, it ought not to go, like kissing, by favor; there ought to be a regular way of doing it that will be recognized under our laws.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Commissioner Garretson would like to ask you a few questions, please.

Commissioner GARRETSON. Mr. Perkins, if profit sharing is to constitute the missing link between the employer and the employee—

Chairman WALSH. Excuse me just a moment. Here is a note that the sergeant at arms has for Mr. Perkins that he may consider.

Mr. PERKINS. As I stated last night, I am due before the board of estimates to-day, and the secretary is sending to know how soon I can be there.

Chairman WALSH. Commissioner Garretson says that he can conclude in five minutes.

Mr. PERKINS. That is all right.

Commissioner GARRETSON. If profit sharing is to be the missing link between labor and capital and to furnish the means for minimizing industrial unrest, how are you going to apply it to the army of occasional laborers—I am using "occasional" in the sense of the employee who works one week for one employer and another week for another; and probably serves 20 or even 100 employers during the year? Because there is an army of such men.

Mr. PERKINS. Well, Mr. Garretson, it is perfectly outrageous that there should ever be such a condition as that in our country.

Commissioner GARRETSON. But there is.

Mr. PERKINS. But we have got to stop that. Anyone approaching this country in an airship and looking down on it and seeing our great fertile fields and rich mines and the comparatively small population, and then seeing the number of

unemployed—the number of people who are not employed as they should be—would think this was a lunatic asylum.

Commissioner GARRETSON. You can not get any argument out of me on that.

Mr. PERKINS. Now, what is the fundamental trouble? The fundamental trouble is that we are not keeping abreast of the economics of the age. Our Government officials are trying to force us back to doing business in a way that is more or less destructive. Now, there is nothing more important to a laboring man than permanent employment. First of all he has got to have employment. Then he wants it at the best wage, with short hours and all that—but first he has got to have his employment. But while we make our tariff as we do make it, purely on a political basis, and change it back and forth, and while we continue to make our laws so that the business man can not tell how he is going to do business, you are going to have unemployment. The great thing I hope from this commission is that you will be able to throw some light on that subject. We ought not to have unemployment in this country, and I firmly believe that if business is allowed a definite program of organization and our tariff is taken out of politics and made from the standpoint of the protection of labor, there would be but a very small amount, if any, of unemployed labor.

Commissioner GARRETSON. I am not dealing with unemployment at all, but the changing employee—the man who labors steadily, but for separate employers—

Mr. PERKINS (interrupting). That man would not change. If you were to look through our Steel Corporation records you would find that there is a very much larger number of people in permanent employment, because of their interest in the business. I think that any man who has an interest in the business will not be so apt to want to change.

Commissioner GARRETSON. But isn't this work to be done for the man who works various days?

Mr. PERKINS (interrupting). They ought to have an incentive to stay. Of course, we have got to have a certain percentage of unemployment most of the time—

Commissioner GARRETSON (interrupting). Oh, yes; unemployment, yes; but I am not dealing with unemployment at all, but the man that works 20 days or 25 days in the month, but he works it for 25 different people. How can you bring him in on a profit-sharing basis?

Mr. PERKINS. I presume there will be a small percentage that you can not apply that to; but if we had organized industry you would be surprised to find how small that would be.

Commissioner GARRETSON. Well, is there any country on earth—any civilized country—that has been able to do away with this class of labor?

Mr. PERKINS. Well, Germany has come mighty near it in the last four or five years.

Commissioner GARRETSON. Oh, she's got them all employed now.

Mr. PERKINS. Oh, I mean before the war; if you look it up you will find that she had them pretty well employed before the war.

Commissioner GARRETSON. In your system now—I want to draw the line as between your profit-sharing plans as in effect in the institutions you represent and the social features; and I am only dealing, for the moment, with the profit-sharing plans. When there are forfeitures on the part of a man it creates a fund that is divisible between the others who are parties to the scheme?

Mr. PERKINS. Yes, sir.

Commissioner GARRETSON. And if for any reason a man develops anything that causes his discharge, through disloyalty or any other cause of whatever nature, he is put out, and the profits become a portion of the profits of those who are not guilty of the offenses charged against him. Is that not a standing incentive to treachery against the man?

Mr. PERKINS. Yes; if you were correct in your statement; but you are absolutely incorrect.

Commissioner GARRETSON. Well, I ask you if that was the case?

Mr. PERKINS. No, sir; it is not the case.

Commissioner GARRETSON. It is not?

Mr. PERKINS. No, sir; it is not at all.

Commissioner GARRETSON. I am glad it is not. Do you regard the purchase of stocks by your men as a guarantee against those men asserting—well, according to the standpoint it would probably change the wording—either rights or privileges that they would otherwise assert?

Mr. PERKINS. Not at all.

Commissioner GARRETSON. It has no such effect?

Mr. PERKINS. Not at all.

Commissioner GARRETSON. You use the phrase "responsibility of unions"—that it did not exist. Do you mean that only in a purely legal sense or the sense of fact?

Mr. PERKINS. In a legal sense and in some cases in fact; but in what might be called almost an indefinite sense—in a feeling that the difference is very great between the status before the Government—not before the law, because there is no law on the subject yet, but before the the Government—the status of labor and the status of business.

Commissioner GARRETSON. Isn't it rather—well, at least entertaining—to find when for 50 centuries the master has made the law, that when within the century the man has asserted his right to a voice in the enactment of laws, the question of fairness is so often raised.

Mr. PERKINS. I don't know that I quite comprehend your expression. I, for one, believe that the evolution of the world is solving this problem. I wish it might be solved faster, but at the beginning the status was owner and slave, way back.

Commissioner GARRETSON. Go far enough back, yes; or come far enough forward.

Mr. PERKINS. Owner and slave; then, it was master and man; then, it was employer and employee; the three periods are pretty well expressed by these terms. Now, I would like to see the next period one of copartnership. I would like to see the man who works as nearly as possible interested in the ownership of the industry.

Commissioner GARRETSON. If one had his turn so many centuries, why not give the other a little period?

Mr. PERKINS. You can't have any argument with me about that. I believe in it.

Commissioner GARRETSON. The term yesterday was used in making a criticism of men lobbying for the passage of laws for employees—you used the phrase that it was unfortunate when the employer felt that his Government was not fair to him?

Mr. PERKINS. Yes, sir.

Commissioner GARRETSON. How long is it since there could have been even a shadow of a claim that his Government was unfair to the employer?

Mr. PERKINS. Ever since the Sherman law was passed.

Commissioner GARRETSON. Then, 30 years against 3,000?

Mr. PERKINS. Well, I don't quite see the point you are making. I absolutely agree with you that a man is a man, whether he is working in the mills or whether he is presiding over the finances of the country, or President of the United States, and I believe that one great influence that has been bringing all men to a more intelligent understanding of the questions is the enormous amount of educational work that has been done in the world; that is preeminently so in our country, and it is the most fruitful sign possible. I believe, with President Wilson, that we ought to approach the question of capital and labor in a get-together spirit; and I think what he has said for several months about the Government's relation to business and labor and all that is eminently wise; and I think that you, as a commission with that backing, are entering, with a great promise, upon a solution of this question.

Commissioner GARRETSON. Then you are absolutely a believer, as I am, that one side should not furnish all the "get-together"?

Mr. PERKINS. Absolutely not. I want it distinctly understood, and I think I have already stated it, that, broadly speaking, I think capital has been more to blame than labor in the past.

Commissioner GARRETSON. Well, could it be otherwise, when they had it at their disposal to be blameful in a very long period during which they dominated the situation absolutely?

Mr. PERKINS. I said it started a long period ago, with the idea of owner and slave.

Commissioner GARRETSON. Yes. Now, going back to the question of responsibility of unions. Have you ever heard of an instance where the locomotive engineers violated an agreement which it held with employers?

Mr. PERKINS. Well, I have not been in that line of business. You ask me if I ever heard of an instance; I say no; but that might not be right.

**Commissioner GARRETSON.** What I want to lead up to is, why, if it is recognized as a responsible organization, would the United States Steel Corporation refuse to deal with it and discharge men who had joined it for joining?

**Mr. PERKINS.** Well, Mr. Commissioner, I want again to make myself clear. I do not think it is so much a question of whether they have violated or whether they have not, or whether labor has violated or whether it has not. The point is that, fundamentally, it is not fair, and broadly speaking, it is not right to have such large representations of labor in groups and such large representations of capital in great business without responsibility to some higher power. That is my position.

**Commissioner GARRETSON.** Then you believe in the organization of men—

**Mr. PERKINS (interrupting).** Absolutely.

**Commissioner GARRETSON.** And the recognition of unions, provided a condition is brought about that does not exist?

**Mr. PERKINS.** No; but that the condition now existing be worked out to a better condition. I think we have done as well as we could without laws and regulation, but I think that we must have a higher condition, just as you say; this thing has been going on for 3,000 years, now let's work it out to a better conclusion than we have ever had.

**Commissioner GARRETSON.** And if every employer took your attitude, there would be no union recognized?

**Mr. PERKINS.** Absolutely. You have absolutely misinterpreted everything I said whether willfully or otherwise I don't know.

**Commissioner GARRETSON.** The fact is you refused to deal with that organization?

**Mr. PERKINS.** No; not at all.

**Commissioner GARRETSON.** Is it not a fact that those men were discharged for that very reason?

**Mr. PERKINS.** I do not know what you refer to.

**Commissioner GARRETSON.** I am referring to the strike in the Pittsburgh switching district where the Brotherhood of Locomotive Engineers and the Brotherhood of Railway Trainmen had men discharged from the employ of the United States Steel Corporation by reason of the objection that it was an open shop.

**Mr. PERKINS.** Which is that?

**Commissioner GARRETSON.** I say, both of those organizations.

**Mr. PERKINS.** I don't know what you mean.

**Commissioner GARRETSON.** Well, a certain number of organizations are open-shop organizations, are they not?

**Mr. PERKINS.** I don't know about that; I am not informed on that.

**Commissioner GARRETSON.** Now, you used the word about the social devices that are in effect. Where the payment of pensions—am I right in assuming that the payment of pensions and sick benefits, and all other forms of insurance that you pay your men, is founded upon tenure of service?

**Mr. PERKINS.** Pensions are.

**Commissioner GARRETSON.** How about the others?

**Mr. PERKINS.** They are not.

**Commissioner GARRETSON.** You don't pay any benefits after a man leaves your service?

**Mr. PERKINS.** Well, then, it comes as a pension.

**Commissioner GARRETSON.** You pay sick benefits?

**Mr. PERKINS.** Not if he goes to work for somebody else.

**Commissioner GARRETSON.** Certainly. It is all based on tenure of service?

**Mr. PERKINS.** Well, yes.

**Commissioner GARRETSON.** Pensions, of course, is the best example?

**Mr. PERKINS.** Yes.

**Commissioner GARRETSON.** But how, except under Government—under a nationalized plan—could this army that I refer to of men who work for a series of employers, through no fault of their own, ever receive any pension, except under nationalization? How could it be done by the private employer?

**Mr. PERKINS.** Those cases can not. But that is what they are taking up now in State compensation—

**Commissioner GARRETSON.** I am not speaking of compensation now, but—

**Mr. PERKINS.** Well, I mean the whole thing.

**Commissioner GARRETSON.** Should it not all be nationalized to make it effective?

Mr. PERKINS. I believe that industry should bear those burdens as far as possible. We may have to adopt some plan—of course, this question has not yet been worked out, but the industry should contribute a certain part and the State the balance for the very men you speak of. But there is doubt in my mind whether some of the European plans by which the Government does it all, without any contribution from the industry, is as wise as a plan by which certain lines of industry at least contribute to that end.

Commissioner GARRETSON. Haven't those European Governments that have dealt with the proposition—and most of them—

Mr. PERKINS (interrupting). Yes.

Commissioner GARRETSON. Have they not proceeded upon the basis that it was improper for the private employer to do it because it constituted a certain form of duress?

Mr. PERKINS. No; I didn't know that they did.

Commissioner GARRETSON. Well, that is a fact.

Mr. PERKINS. Well, I doubt if that is so. They may have done it, but I doubt if they have done it on that basis, and I don't believe that is correct.

Commissioner GARRETSON. You have never approached the men themselves from the angle I have, possibly, Mr. Perkins?

Mr. PERKINS. Well, I have approached a good many.

Commissioner GARRETSON. That is all.

Chairman WALSH. If I may ask you two questions which may be answered very quickly, Mr. Perkins, that have been submitted by a gentleman interested in the hearing. Would good unions—that is, I suppose by that term he means desirable unions, the kind that you have spoken of—

Mr. PERKINS (interrupting). Yes.

Chairman WALSH. Have good unions any reason to fear civil responsibility? I suppose he means by incorporation and responsibility of that character in the civil courts?

Mr. PERKINS. Would you just read that again?

Chairman WALSH. Would good unions have any reason to fear civil responsibility?

Mr. PERKINS. I should not think they would. I was thinking when you first read it of the great question of good and bad unions and good and bad trusts.

Chairman WALSH. Would not such responsibility tend to raise the standard of unions and to make bad unions better?

Mr. PERKINS. I think it would.

Chairman WALSH. Thank you. That is all, Mr. Perkins. We are obliged to you for your attendance.

Mr. Henry Ford.

Commissioner GARRETSON. Mr. Perkins, just one question: Are you aware of the fact that some unions have been incorporated?

Mr. PERKINS. No; I don't know that I am.

Commissioner GARRETSON. For your information I will say to you that my own organization was incorporated for 10 years.

Mr. PERKINS. Is it now?

Commissioner GARRETSON. No; it simply surrendered its corporate form because it worked a hardship on us for insurance matters.

Mr. PERKINS. That could be changed now. That probably would not be true now.

Commissioner GARRETSON. Yes; under the laws of that State.

Mr. PERKINS. Well, that is certainly better than 3,000 years ago, anyway.

Chairman WALSH. Mr. Henry Ford.

#### TESTIMONY OF MR. HENRY FORD.

Chairman WALSH. State your name, please?

Mr. FORD. Henry Ford.

Chairman WALSH. Where do you reside?

Mr. FORD. Detroit.

Chairman WALSH. How long have you resided in Detroit?

Mr. FORD. Twenty-five years.

Chairman WALSH. What is your business, please?

Mr. FORD. Manufacturer.

Chairman WALSH. The commission submitted certain questions to you, as to which you have made written answers, and you have requested me to read these

questions and answers, and to have them read preliminary to the questions which the commission will ask you to answer?

Mr. FORD. If you please.

Chairman WALSH. Very good. I will read this:

DETROIT, MICH.

I will endeavor to answer briefly the written questions submitted to me by the commission in their order.

Question No. 1. Give a description of the profit-sharing plan of the Ford Motor Co., and then state the purposes aimed at in establishing a profit-sharing plan; its results on efficiency of men; its results on the character and steadiness of men; its results as regards citizenship and general interest in the advance of the community.

Answer. Every man working for the Ford Motor Co. is first entitled to his just wages as such, depending upon efficiency and responsibility, which wages are about 15 per cent above the usual market wage for the service in question, and then everyone who is eligible is entitled to a certain profit. The minimum daily income under the plan, wages plus profit, is \$5. The hourly profit-sharing rate, added to wages, is based on the wage rate, and so arranged or graduated as to give those receiving the lowest hourly rate the largest proportion of profits. For example, a man receiving 34 cents per hour has a profit rate of 28½ cents per hour in addition, and a total daily income of \$5, whereas men receiving 54 cents per hour wages have a profit-sharing rate of 21 cents per hour, with a total daily income of \$6. The working day is 8 hours instead of 9, as before; the week 48 hours.

Wages and profits are paid every two weeks in currency.

Those qualified for participation in profits are of three classes: (1) Married men living with and taking good care of their families; (2) single men over 22 years of age who are of proven, thrifty habits; (3) young men under 22 years of age and women the sole support of some next of kin.

The person must be in the employ of the company six months before he can participate in profits, which rule serves to deter men from leaving other steady jobs.

A record of facts is made in the case of each individual, and every employee qualifying under the above, able to use the money constructively for the good of self, dependents, and the community in general is awarded a share according to schedule.

Wages are paid according to skill, and skill subdivided into degrees of skill. The company has but eight rates of pay operative in the shop or on its hourly wage pay roll. A separate rate of wage applies to each skill rating. An employee may know the reward of his increased efficiency and development and of all the possibilities and probabilities for advancement with the company at the time of entering its employ.

The company maintains a corps of 40 men, good judges of human nature, who explain opportunity, teach American ways and customs, English language, duties of citizenship, who counsel and help the unsophisticated employees to obtain and maintain comfortable, congenial, and sanitary living conditions, and who also exercise the necessary vigilance to prevent, as far as possible, human frailty from falling into habits or practices detrimental to substantial progress in life. The whole effort of this corps is to point men to life and make them discontented with a mere living.

You ask our purpose in establishing this plan. Our first purpose was substantial justice to our coworkers, without whom we could have accomplished nothing. We had had great success, and, in fact, we desired no greater success from a mere financial point of view. For a long period we had been contemplating some plan, but every one suggested seemed fraught with objections. We finally decided to go forward with this one and feel our way along to a position of substantial justice. We do not regard it as in any sense a gift or a charity, but only due reward for service.

Prior to the inauguration of the Ford Motor Co.'s profit-sharing plan the company was entirely satisfied with the individual and collective output and efficiency of its men. There was no thought of betterment in this direction, no measure of economic benefit made in anticipation, no desire for publicity or other gain to the company incorporated into the plan or considered with reference to it. The object was simply to better the financial and moral status of the men.

## 7628 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

No man is influenced to change his mode of living, his habits, or character in order to qualify under the profit-sharing plan if he does not willingly so elect.

Whereas at start 60 per cent of the men were receiving a share of the profits, six months later 75 per cent of the men were enrolled as participants, and at the end of the first year 87½ per cent of the entire force were participating, representing practically all of the men past 22 years of age with very few exceptions.

The increased efficiency of the men under the plan has been from 15 to 20 per cent with reference to work produced, which is further emphasized when you consider that the improvement was made in an eight-hour day versus the comparison in a nine-hour day.

Daily absentees from work have decreased from a total equivalent to 10 per cent of the working force, under old conditions, to three-tenths of 1 per cent under the profit-sharing plan.

The number of men leaving the employ of the company since the profit-sharing plan started in comparison with the year previous is shown below:

	Discharged.	Quitting.	5-day men.
March, 1913.....	1,276	870	5,156
March, 1914.....	166	115	166

Five-day men are the floaters, so-called, who leave without explanation or notice.

Fear and worry in the struggle for livelihood to properly provide for home and dependents with the dread of what might happen if the job is lost have practically been eliminated.

No man is discharged from the service of the company until he has been proven utterly unfit from every standpoint. If he fails to make good in one department the foreman of that department sends him to the clearing house, and he is given repeated trials, if necessary, until he makes good, or it is proven that he does not want to succeed. A recent ruling of the company requires the approval of one of four men before the man can be finally dismissed. Of the four, two are, respectively, the president and the vice president of the company.

Bank accounts show an increase during the first six months of 130 per cent; life insurance carried, 86 per cent; value of homes owned outright, 87 per cent; value of lots owned outright, 86 per cent. This remarkable showing refers only to such employees as are on the profit-sharing basis.

Careful medical survey reveals a substantial improvement in physical attributes.

Upward of 200 men have been influenced and helped to obtain citizenship in the United States.

A carefully prepared map of the city shows that 8,000 families have changed their place of residence since the plan was started, and a study of the districts into which they have moved and from which they came shows that the migration has been from poor and squalid to healthy, sanitary quarters, with environment conducive to health, happiness, and comfort.

Results on character and steadiness of men may perhaps be best measured and more thoroughly understood by agencies outside the company. Police justices say whereas Ford employees, recognized by their badges, were almost daily seen in the prisoners' dock up to a year ago, since January, 1914, they have been noticeably absent and are rarely among the unfortunates brought to justice. From one of the largest Polish Catholic parishes in the city, the father writes:

"The work of the Ford Motor Co. has been of tremendous benefit to my people. Heavy drinking is characteristic of the Poles, I know. Your work, however, has resulted in sobriety now being the rule rather than the exception in my parish."

The company has organized a school wherein the non-English-speaking are taught the rudiments of the English language—to speak, to read, and to write it. At start, teachers were employed who had made school work their vocation. After about three months' operation the school grew from about 200 members to approximately 1,100, and the paid teachers were replaced by vol-

unteers from the Ford Motor Co., some of whom had had experience in school work, but the most of them foremen, subforemen, and men from the rank, and are simply enthusiastic individuals eager to help along a good work and better the condition of their brother men, both as an expression of gratitude for what their employer has done for them and to seize an opportunity for self-enlargement which the work offered.

Question No. 2. What reasons did the Ford Co. have for assuming so large a measure of responsibility, not only for the labor conditions in their plants, but also for the social and moral surroundings of their employees?

Answer. The knowledge that market rates of wages were not sufficient for men to properly care for self and dependents and that the environment in which its employees were thus made to live, gave rise to mental anxiety and a physical condition that made it utterly impossible for the human agency to deliver all of the effort that it was capable of in fulfilling the best and larger functions for which it was designed at work, at home, and in the community. The company also had the courage to seize an opportunity for breaking away from old-time habits and customs that were possibly applicable to other periods. The institution of a new order, treating men like men in man fashion has brought out much of human salvage and proven that barriers between employers and employees thought to exist and often do exist can be largely removed.

A large proportion of our employees were foreign born, many of them recent arrivals, not used to American habits and surroundings. Very few, if any, resented our guiding them into better conditions, into habits of thrift, saving, sobriety, and improved moral and social conditions. No coercion is laid upon any employee, but if he is not living a sober life, or is neglecting his duties as a father or husband, and he persists in such course he can not be an associate in our business.

Question No. 3. What has experience shown regarding the extent to which the character and social conditions of employees are the result of the conditions under which they are employed, including wages, hours of labor, general physical surroundings, and treatment by officials, superintendents, and foremen?

Answer. No man can bring up a family and hope to own a home on the ordinary rates of wages.

I do not think that any man can do good work mentally and physically for more than eight hours per day.

In my judgment the other factors are not so very important.

Question No. 4. Is it desirable for a corporation to assume so large a measure of control of employees as the Ford Co. has done?

Answer. We do not undertake to say what corporations should do in general, but if employers of labor—we mean the men themselves at the head of these enterprises—have a genuine, sincere, and active interest in the improvement of the conditions of labor and the heartfelt, personal interest in the welfare of their employees, no conditions that are irksome or distasteful will be laid upon the men.

Theoretically some persons may argue that we have no right to inquire how a man lives at home, so long as he does his work at the factory; but we are talking of conditions, not of theories. Our experience leads us to conclude, beyond doubt, that the interest taken in employees as to their individual welfare is most desirable from every standpoint, not only that of the employee and his family, but of the business itself.

The ever-increasing interest developed in our plan by other employers of labor and the individual expressions of the men themselves, which we have taken great pains to learn from disinterested sources, further prove the correctness of our views.

Question No. 5. To what extent would it be desirable, in addition to giving employees a share of the profits in a corporation, to give them also an insight into the operation of the company and a voice in the determination of working conditions?

Answer. If by the question is meant a voice in determining the policies of the company in working out its success we say no man wants to be burdened with the care and responsibility of deciding things. Great freedom of speech and expression of ideas exist in our work, and a great many valuable suggestions are gained thereby. Individually or collectively men may raise their voices with suggestions and they are always heard. If, on the other hand, what is meant is a voice in fixing the personal physical surroundings of the employees, we should say most decidedly the employees should have a voice and their



opinions and wishes should be consulted. So far as the Ford Motor Co.'s actual experience is concerned, these surroundings have been, as judged by modern and existing standards, so ideal in character that there have never been any complaints from the employees, and we believe entire satisfaction has been the rule.

Question No. 6. As a result of your observations and experience, what is considered to be the effect of the growth of large corporations and the centralizing of their control on the condition of labor in the United States?

Answer. Any manufacturing institution that is successful in making a single product should increase the business and its plant and more work to employ more men. We can not expect a man to give us his best efforts when he is in debt and has not enough to keep his family on. If corporations are overcapitalized, they must necessarily oppress labor to make a showing. But if they grow from small beginning, naturally, and stick to one legitimate product, balanced conditions are bound to follow. The sooner men can be taught that labor is just as much of an asset and more than machinery and buildings, the sooner labor will be properly recognized. In my judgment mere bigness is no objection if corporations are not overcapitalized.

Question No. 7. What is your attitude toward the accumulation and perpetuation of large fortunes?

Answer. We believe it is better, wiser, and more just to make many men comfortable than to make a few very rich.

Question No. 8. As a result of your observation and experience, do you consider that private philanthropies can deal adequately or effectively with social conditions?

Answer. They may and probably do some good. Of course they are not adequate. But my idea is justice, not charity. I have very little use for charities or philanthropies as such. My idea is aid men to help themselves. Nearly all men are willing to work for adequate reward. We have all kinds of cripples in our employ, and they are making good. We have a great many who have been in prison and who are outcasts from society. Everyone of them is making a good showing and is gaining in self-respect and strength of character. We will guarantee to take every man out of Sing Sing and make a man of him.

[Applause.]

Chairman WALSH. There must be no outward expression of feeling no matter how favorably the statement may impress you. Another statement may be made which will be abhorrent to you and bring out a counter demonstration, and there must be absolute quiet. [Continues reading:]

Question No. 9. From your observation, what is the effect of the work of private philanthropic organizations on the persons whom they assist and the people who endow or contribute to such institutions?

Question No. 10. Do you consider the establishment of such unrestricted foundations as the Rockefeller Foundation to be in the interest of public policy? If not, what objections seem to you to carry the most weight?

Answer. I have not given sufficient consideration to these questions to justify an expression of opinion.

HENRY FORD.

May I ask you, Mr. Ford, without, of course, intimating the name of any such person, what distinction, if any, is made in the treatment of a man or person who has been so unfortunate as to have been confined in prison, as compared with other employees of your institution?

Mr. FORD. We do not let the other employees know anything about it.

Chairman WALSH. Is there any treatment accorded to him other than what might be called economic treatment as set out by your plan? He is, to your idea, properly fed, adequately fed?

Mr. FORD. Yes.

Chairman WALSH. Therefore properly fed and clothed and placed in a position of economic independence?

Mr. FORD. Yes.

Chairman WALSH. And you find from that that it establishes his moral standard?

Mr. FORD. Yes, sir.

Chairman WALSH. I would like to have this matter of what you call these five-day men a little further elucidated. Are those five-day men men that came to your plant and worked a portion of a week and then disappeared?

Mr. FORD. Five-day men?

Chairman WALSH. Yes; you referred to five-day men, and you say these five-day men are floaters, so called, who leave without explanation or notice?

Mr. FORD. No.

Chairman WALSH. Does the term "five-" imply they are men that worked a portion of a week?

Mr. FORD. Yes.

Chairman WALSH. So that in one year in the whole plant 5,156 men came in and wandered away; they would comprise what is called casual or floating labor?

Mr. FORD. Yes.

Chairman WALSH. They are that class of men that go from factory to factory and from lumber camp to lumber camp, and from ice harvest to grain harvest, and the like?

Mr. FORD. Yes; on the bumpers.

Chairman WALSH. You have doubt, Mr. Ford, in connection with working out your plan in your ordinary business experience, heard the reasons attributed by sociologists and others as to the cause of this?

Mr. FORD. Yes.

Chairman WALSH. In the concrete experience which you have had in this year, then, there were 5,000 men who remained at work who could otherwise have joined that large class of nomadic laborers?

Mr. FORD. Yes.

Chairman WALSH. What is your plan for the determination as to the fitness of a man—you say no unfit man is discharged from the service of the company until he has been proven unfit from every standpoint?

Mr. FORD. We shift them from one department to another, and it is almost invariably found that a man will fit in some place or other. Of course, there are some men who prefer to be floaters and do not want to stay.

Chairman WALSH. The number of men that have left your service speaks very eloquently, to my mind, as to how it practically works out; but I would like you to give us the detailed plan for the record; that is, how much of it do you finally determine individually from reports, or what is the organization for the final determination or say so that the man shall go?

Mr. FORD. If he wants to go, there is no use trying to keep him any longer.

Chairman WALSH. I am afraid, Mr. Ford, that I have not made myself clear. When you have finally determined—first, how is the unfitness of the man determined? Is it on report of foremen of the various departments?

Mr. FORD. Yes.

Chairman WALSH. To whom are those reports made, or does the foreman have a right to discharge the man finally?

Mr. FORD. No, sir; as the statement says, it finally comes to myself and the vice president and Mr. Lee and the superintendent of the company.

Chairman WALSH. Is the man always given a hearing if he desires it?

Mr. FORD. Yes.

Chairman WALSH. That is, before the final body that exercises the right—discharges him?

Mr. FORD. Yes; he is given a hearing every time he is changed from one department to another.

Chairman WALSH. Where is your plant located, Mr. Ford?

Mr. FORD. At Detroit—Highland Park.

Chairman WALSH. Are all of the men that come under this plan located in Detroit?

Mr. FORD. No, sir; they are located all over the world. We have 45 or 50 branch plants, from Paris clear around the world, and it affects them all.

Chairman WALSH. Are there men engaged in those different plants throughout the world—do all the men engaged in those different plants throughout the world come under this scheme?

Mr. FORD. Yes, sir.

Chairman WALSH. What is the machinery provided in the other plants for determining the fitness or unfitness of the men?

Mr. FORD. We have investigators to investigate the men at all plants.

Chairman WALSH. Do they make reports in writing?

Mr. FORD. I do not know that they do. Some of the plants are smaller and they are brought up personally.

Chairman WALSH. Do the reports in your outside plants finally reach this board of control you have mentioned?

Mr. FORD. Not always.

Chairman WALSH. Is there a similar organization, then, in the other plants?

Mr. FORD. Yes, there is. We have a manager in all those plants.

Chairman WALSH. What detail of machinery have you to ascertain at the head of the concern whether the plan is justly and impartially carried out in the other plants?

Mr. FORD. Well, it generally works itself out that if anyone is discharged without reason it comes to Detroit in some way or other.

Chairman WALSH. It comes to Detroit, does it?

Mr. FORD. Yes.

Chairman WALSH. The men that have been engaged in your industry since this plan was put into effect show an anxiety to remain, do they?

Mr. FORD. Yes.

Chairman WALSH. And has it actually worked out both at the home plant and abroad at the other plants?

Mr. FORD. Yes.

Chairman WALSH. That, if men are declared unfit, that they pass their grievance up to the heads?

Mr. FORD. Yes; they pass their grievances up to the head.

Chairman WALSH. How many men would you say are in the employ of your industry in Detroit and elsewhere that come under this plan?

Mr. FORD. Do you mean the total number that come under the plan?

Chairman WALSH. Yes—as you have described it in answer to the question.

Mr. FORD. Between 16,000 and 18,000.

Chairman WALSH. And they are scattered all over the United States?

Mr. FORD. Yes, sir; and all over the world.

Chairman WALSH. Do you feel, Mr. Ford, that you have worked out a plan by which the responsible heads of your concern—the real operators of the industry, can have a knowledge of labor conditions and of the operation of the plant so far as it affects the lives and well-being of the employees throughout this vast industry?

Mr. FORD. We have only worked at it a year and are finding out something new every day.

Chairman WALSH. Have you found during the years, at least as to its general integrity, that the plan is a good one?

Mr. FORD. We like it for our place.

Chairman WALSH. I note that you state that 200 men have been influenced and helped to obtain citizenship in the United States. Briefly would you describe how and where the rudimentary knowledge necessary for acquiring citizenship is got?

Mr. FORD. We teach them to speak and talk English.

Chairman WALSH. In the schools?

Mr. FORD. In the schools of the factory—and to read and write.

Chairman WALSH. Is there a special effort made—I notice that you refer to it here?

Mr. FORD. Yes.

Chairman WALSH. Is there a special effort made to qualify your men for American citizenship.

Mr. FORD. Yes, sir.

Chairman WALSH. Have you, so that it can be furnished to this commission, Mr. Ford, the map referred to here, showing that 8,000 families have changed their places of residence, and any other data that you may have about that map?

Mr. FORD. Yes.

Chairman WALSH. Will you be kind enough to furnish it to the commission?

Mr. FORD. Yes.

(The map referred to was submitted. It is not printed.)

Chairman WALSH. I notice the information is given in this answer to this query, that you expand considerably outside of your plants, as, for instance, the record in the justice court, the submission of experiences of clergymen, etc.?

Mr. FORD. Yes.

Chairman WALSH. Is there some department of general sociology in your plants?

Mr. FORD. Yes, sir.

Chairman WALSH. To get at and ascertain the effect of your plan on the citizenship and on the industry?

Mr. FORD. Yes.

Chairman WALSH. And are records and statistics regularly kept?

Mr. FORD. Yes.

Chairman WALSH. As applying to your plan?

Mr. FORD. Yes.

Chairman WALSH. Are those records open at all times to the civil authorities?

Mr. FORD. Yes.

Chairman WALSH. And those that are dealing with the social question in a large way?

Mr. FORD. Yes, sir.

Chairman WALSH. Have you found that there is much demand for that particular sort of information?

Mr. FORD. Yes, sir.

Chairman WALSH. Of the general sociologic effects?

Mr. FORD. Yes, sir. The head of it is here with me to-day.

Chairman WALSH. Sir?

Mr. FORD. The head of that department is here with me to-day, Mr. Lee.

Chairman WALSH. What is his name?

Mr. FORD. Mr. John R. Lee.

Chairman WALSH. How many has he under him?

Mr. FORD. He can tell you.

Chairman WALSH. You could not say?

Mr. FORD. Fifty or sixty, I guess.

Chairman WALSH. And the information is given to any desiring. I suppose, to other corporations?

Mr. FORD. Yes, sir.

Chairman WALSH. And to municipal and civic bodies?

Mr. FORD. Yes, sir.

Chairman WALSH. Throughout the United States?

Mr. FORD. Yes, sir.

Chairman WALSH. And there has been, I believe you say, a great call for that sort of information?

Mr. FORD. All over the world. We have sent it all over.

Chairman WALSH. And is the effort made to have the figures and conclusions as nearly accurate as they are possible to be obtained?

Mr. FORD. Yes, sir.

Chairman WALSH. Now, you state that after three months' operation your school grew from 200 to approximately 1,100. How many of those schools are there, or is there more than one?

Mr. FORD. We have that there in our own factory. It is one large floor of one of the large buildings.

Chairman WALSH. Oh, you have a school right in your plant?

Mr. FORD. Yes, sir.

Chairman WALSH. And you have facilities for 1,200 people to attend that school?

Mr. FORD. Yes, sir. We separate them into rooms of a dozen to twenty in each room.

Chairman WALSH. Now, you say that the paid teachers were replaced by volunteers from the Ford Motor Co.?

Mr. FORD. Yes, sir.

Chairman WALSH. Have you established a definite curriculum, a course of study prior to this time?

Mr. FORD. I don't remember the system, the name of the system. Mr. Lee can give you the name of the system.

Chairman WALSH. Are these employees that now act as teachers paid?

Mr. FORD. Volunteers.

Chairman WALSH. They are volunteers without pay.

Mr. FORD. Volunteers without pay. They do it on their own time; that is, after the eight-hour work, the school comes on for an hour or so.

Chairman WALSH. Certainly. But there is no request made upon them by the managers of the corporation in that direction?

Mr. FORD. Oh, no.

Chairman WALSH. And did you find enough volunteers of that sort qualified to man the teaching faculty of your school?

Mr. FORD. Yes, sir; we have some that we have taught there, teaching now.

Chairman WALSH. And do you have a scheme by which their qualifications are determined?

Mr. FORD. Yes.

Chairman WALSH. Does that come under Mr. Lee's department?

Mr. FORD. Under Mr. Lee's department.

Chairman WALSH. I have been asked to ask you this question: In your opinion is there a greater factor entering into the elevation of men than the restoring or creation of self-respect?

Mr. FORD. Well, just put that a little different. I don't quite understand the question.

Chairman WALSH. Well, is there any greater factor—we will assume now that a man is down and out, for any reason—vicious or weak habits or submergence from the economic standpoint, or anything that puts him in what you might call the down-and-out class—is there any factor which could enter into the bringing him back to real manhood and to good citizenship than that of giving him back his own self-respect?

Mr. FORD. Give him employment and pay him for it.

Chairman WALSH. Which will make him a self-respecting citizen?

Mr. FORD. Yes, sir.

Chairman WALSH. Have you found that the greatest factor?

Mr. FORD. Yes, sir.

Chairman WALSH. That grows from your experience?

Mr. FORD. Yes, sir.

Chairman WALSH. I will ask you a few general questions. Where did you begin your business life, Mr. Ford?

Mr. FORD. In Detroit.

Chairman WALSH. And what was your employment; what did you begin with?

Mr. FORD. Machinist and engineer—farmer first—I came from a farm; was on a farm until I was about 17.

Chairman WALSH. You began life on a farm?

Mr. FORD. Yes, sir.

Chairman WALSH. Where?

Mr. FORD. In Detroit; near Detroit.

Chairman WALSH. And how long did you remain on the farm?

Mr. FORD. Until I was 16 or 17 years; nearly 17.

Chairman WALSH. Did you attend the school—what education did you receive while on the farm?

Mr. FORD. The public school, the country school.

Chairman WALSH. The public school, the country school?

Mr. FORD. Yes.

Chairman WALSH. And at the age of 16, when you left the farm, where did you go?

Mr. FORD. To Detroit, Mich.

Chairman WALSH. What was your first employment in Detroit?

Mr. FORD. In a machine shop.

Chairman WALSH. In what capacity?

Mr. FORD. As apprentice boy.

Chairman WALSH. Apprentice boy?

Mr. FORD. Yes.

Chairman WALSH. And did you learn the trade of machinist?

Mr. FORD. Yes.

Chairman WALSH. Did you acquire any other education than the practical one in the shop?

Mr. FORD. No.

Chairman WALSH. Did you ever go to any other school after you left the country school?

Mr. FORD. Except a little while at business college.

Chairman WALSH. Now, I wish you would go on and briefly state what your employments have been from the time you were machinist until you assumed your present duties.

Mr. FORD. I went to the Edison Illuminating Co. as machinist, and in a year I took charge of the plant, and I shifted that into an 8-hour working day. It was 12 hours and I shifted it into 8 hours, without adding any men, and found that we could run it 8 hours with the same number of men better and more economically than they could with 12.

Chairman WALSH. Do I understand you were foreman there on that, or manager?

Mr. FORD. I was chief engineer.

Chairman WALSH. You were chief engineer?

Mr. FORD. Yes.

Chairman WALSH. From that employment where did you go?

Mr. FORD. Well, I went into the automobile business.

Chairman WALSH. From the Edison Co.?

Mr. FORD. Yes.

Chairman WALSH. And that was in what year?

Mr. FORD. Well, it was 1898, I think, or 1899.

Chairman WALSH. 1898?

Mr. FORD. Yes, sir.

Chairman WALSH. Is this company a corporation?

Mr. FORD. Yes.

Chairman WALSH. Under the laws of what State?

Mr. FORD. Michigan.

Chairman WALSH. Michigan?

Mr. FORD. Yes.

Chairman WALSH. And do you have some of your operations in the hands of subsidiary corporations in different States or countries?

Mr. FORD. No, sir. Except in Canada and England separate corporations were organized with many stockholders to take care of business in those countries.

Chairman WALSH. Are all of your operations conducted under the Ford Motor Co. of Michigan?

Mr. FORD. Yes, sir; all over the world, with the exceptions I just stated.

Chairman WALSH. All over the world?

Mr. FORD. Yes, sir; with the exceptions just stated.

Chairman WALSH. You have not found it—

Mr. FORD (interrupting). Not a dollar's worth.

Chairman WALSH (continuing). Desirable or advisable to create other corporations?

Mr. FORD. No, sir; no one has a dollar's worth of stock in any other country or any other place except—

Chairman WALSH (interrupting). The stockholders of the Ford Motor Co. of Michigan?

Mr. FORD. That is it.

Chairman WALSH. Commissioner Weinstock would like to ask some questions.

Commissioner WEINSTOCK. In your written answers, Mr. Ford, you spoke about paying the men their wages and their profits every two weeks?

Mr. FORD. Yes.

Commissioner WEINSTOCK. How is it possible to ascertain the profits every two weeks?

Mr. FORD. Well, I just anticipated that and took that as a lump.

Commissioner WEINSTOCK. That is, you declared dividends on your book—records?

Mr. FORD. Well, we knew what we could do. We don't borrow any money. We have our own capital to do our own business. We grew from the acorn up. We started to save our money when we first started in on our capital, and we know what we can do with it.

Commissioner WEINSTOCK. So that every two weeks you estimate your earnings for the past two weeks?

Mr. FORD. No; we don't do it that way at all. We just know people have to have that much money to live properly, and we paid it to them.

Commissioner WEINSTOCK. You pay these men every two weeks, regardless of the actual earnings?

Mr. FORD. Yes, sir.

Commissioner WEINSTOCK. Have you ever tried to estimate, Mr. Ford, what the percentage of efficiency is that you are getting out of your men to-day, taking 100 per cent as the maximum?

Mr. FORD. We only know—I only know that we have to hold them back.

Commissioner WEINSTOCK. That is, you have got to use the rein instead of the spur?

Mr. FORD. Yes.

Commissioner WEINSTOCK. And that would indicate they are giving all they have to give, their best efficiency?

Mr. FORD. Yes, sir.

Commissioner WEINSTOCK. Well, now, what incentive is there—let me rather put the question in another way. This criticism has been made on profit sharing. It has been held by some critics that the weak spot in profit sharing, except where you can determine the actual production of the individual, is that

there will be a great many leaners in the group who will depend upon the lifters to do the work, and they will lie back and share in the results.

Mr. FORD. That is up to the management to look out for that.

Commissioner WEINSTOCK. I take it from what you have said in your enterprise there is a way of determining the actual productive power of each individual, so that he is treated and judged as a unit?

Mr. FORD. Yes, sir.

Commissioner WEINSTOCK. And he does not feed out of a general pot?

Mr. FORD. No, sir.

Commissioner WEINSTOCK. But he stands on his own feet?

Mr. FORD. Yes, sir.

Commissioner WEINSTOCK. And is judged accordingly?

Mr. FORD. Yes, sir.

Commissioner WEINSTOCK. Do you think, Mr. Ford, that your plan is applicable to industries generally?

Mr. FORD. I think so, if they would do one thing—not try to do everything in one place, make all kinds of articles in one factory. I don't think any factory is large enough to do two things. We do only one thing.

Commissioner WEINSTOCK. Don't most of the factories in this country that are conducted on a fairly large scale specialize—take a shoe factory, they specialize on shoes, and a clothing factory on clothes, and so on?

Mr. FORD. They make all sizes.

Commissioner WEINSTOCK. I see. You carry specialization down to a finer point.

Mr. FORD. Yes.

Commissioner WEINSTOCK. You think where that is done your plan could be applied?

Mr. FORD. Well, you can get the maximum of economy.

Commissioner WEINSTOCK. What is the attitude of your company, Mr. Ford, in the matter of dealing or recognizing organized labor?

Mr. FORD. I don't know anything about organized labor. We have never had any of it, to my knowledge, around our place.

Commissioner WEINSTOCK. Your people are not organized?

Mr. FORD. Not that I know of. I have never had anything to do with any organized labor of any kind.

Commissioner WEINSTOCK. You have always conducted what I suppose is the open shop?

Mr. FORD. Always the open shop.

Commissioner WEINSTOCK. Has your company ever discriminated against any men?

Mr. FORD. No. Sometimes in building we have a little on the outside where they are bothering us, and we can not always control it; take these contractors, one thing and another.

Commissioner WEINSTOCK. I see.

Mr. FORD. Sometimes they hold a building back. We do everything we can to get the building put ahead, and do not discriminate against who works there or what their creed is or what they belong to or where they come from, so long as they go on and work.

Commissioner WEINSTOCK. That is, no questions are asked as to whether they are or are not union men?

Mr. FORD. No, sir.

Commissioner WEINSTOCK. So far as they are union men that is no disadvantage?

Mr. FORD. No; it does not make any difference.

Commissioner O'CONNELL. Mr. Ford, when this system was inaugurated by you the public were left to believe—not by you or your company, but by the press—and by themselves, as it were, that your company had declared \$5 a day a minimum for all employees?

Mr. FORD. Yes; of specified classes.

Commissioner O'CONNELL. Is that true?

Mr. FORD. That is true, sir.

Commissioner O'CONNELL. All of them?

Mr. FORD. All of them 22 years of age.

Commissioner O'CONNELL. All of them over 22 years of age?

Mr. FORD. Yes; or under 22 if they have anyone depending on them.

Commissioner O'CONNELL. That includes male and female?

Mr. FORD. Well, no; not entirely female.

Commissioner O'CONNELL. Not entirely female?

Mr. FORD. No. We pay a great many of them \$5 a day where they have some one depending on them.

Commissioner O'CONNELL. You mean by that their mother or father?

Mr. FORD. Well, anyone.

Commissioner O'CONNELL. Who is married and her husband is unable to work?

Mr. FORD. Yes.

Commissioner O'CONNELL. What percentage of the female employees are getting \$5 a day?

Mr. FORD. Well, I would have to look that up; I would not be able to tell.

Commissioner O'CONNELL. Can you give any approximate idea?

Mr. FORD. I do not know; perhaps 10 per cent.

Commissioner O'CONNELL. I am to understand, then, all the male employees over 22 years of age are receiving \$5 a day as a minimum?

Mr. FORD. Yes. Not all of them; perhaps not just all—we will get all that for you and let you have it.

Commissioner O'CONNELL. I want to get it in my mind now what percentage of the employees are under 22 years of age?

Mr. FORD. Well, I don't know offhand; perhaps another 10 per cent.

Commissioner O'CONNELL. Ten per cent?

Mr. FORD. Yes.

Commissioner O'CONNELL. I understand that the \$5 a day is made up in a wage and a so-called bonus of profits?

Mr. FORD. It is a total daily income; that is what it is.

Commissioner O'CONNELL. It is a minimum amount of money they receive per day—\$5?

Mr. FORD. Yes, sir.

Commissioner O'CONNELL. They work a week for \$30?

Mr. FORD. Yes, sir.

Commissioner O'CONNELL. In addition, do they enjoy some profit-sharing system on top of that in addition to that \$5?

Mr. FORD. Those who are in charge, foremen and such like. The foremen, of course, are up higher in wage; they are paid \$6 to \$7 a day.

Commissioner O'CONNELL. I mean the workmen, the men running the machines?

Mr. FORD. He has got a chance to come up higher.

Commissioner O'CONNELL. Oh, yes; if he gets up to be a foreman and assistant foreman of the job or shop, does he then enjoy anything in addition to his \$5 a day?

Mr. FORD. Yes.

Commissioner O'CONNELL. That is right?

Mr. FORD. That is right.

Commissioner O'CONNELL. You say the capacity, or the production, or the efficiency of the work through this system has increased about 15 per cent, I think your paper said?

Mr. FORD. Yes.

Commissioner O'CONNELL. Is that equal to the additional amount of money paid out in this increased wage or profit?

Mr. FORD. No; I don't think so. I do not think it is equal, but it is getting up toward betterment.

Commissioner O'CONNELL. In other words, does the Ford Co. for the additional money paid to the employees and the additional efficiency secured because of that as a business proposition, a financial business proposition, has it made a loss or otherwise, a gain?

Mr. FORD. Well, I do not know how you would figure it. We are running smoother, for one thing; we are doing better. We can give you all that in figures and you can figure it out.

Commissioner O'CONNELL. You will furnish us the figures, then?

Mr. FORD. Yes, sir.

Commissioner O'CONNELL. In your reports, I suppose?

Mr. FORD. Yes, sir.

Commissioner O'CONNELL. The Ford Co.—the stock of the company is largely distributed or—

Mr. FORD. There are eight members, eight men.

Commissioner O'CONNELL. Eight men?

Mr. FORD. Yes.



Commissioner O'CONNELL. What is the capital stock?

Mr. FORD. Two million dollars.

Commissioner O'CONNELL. And its business last year?

Mr. FORD. Between \$80,000,000 and \$90,000,000 in 1912-13; \$119,000,000 in 1913-14.

Commissioner O'CONNELL. And its profits?

Mr. FORD. I think about \$25,000,000 or \$28,000,000.

Commissioner O'CONNELL. About \$25,000,000 or \$28,000,000?

Mr. FORD. Yes, sir. We will give you that also.

Commissioner O'CONNELL. Give us those figures, too, please.

Mr. FORD. Yes, sir.

Commissioner O'CONNELL. That is all.

Commissioner BALLARD. I gather from what you state as to the workmen since they have received this increased wage have moved into a better part of town, have bettered their conditions?

Mr. FORD. Yes, sir.

Commissioner BALLARD. And you have also done some work for them along educational lines. Do you think that that increased wage alone would have been enough, or is it necessary to increase the wage and have the betterment work? Should they go hand in hand?

Mr. FORD. Oh, yes, sir; it is necessary to follow it all up all the way through.

Commissioner BALLARD. Just the mere increasing of the wage would not do that, you think?

Mr. FORD. That would perhaps turn the other way.

Commissioner BALLARD. Of course, as you started in as an apprentice, do you consider there are now in this country chances for a young man apprentice, an apprentice boy, to rise the same as there has been in time past?

Mr. FORD. I think better chances.

Commissioner BALLARD. You think the chances are better now—that any young man now has a good chance if he has the stuff in him?

Mr. FORD. That is it; yes.

Commissioner BALLARD. That is all.

Commissioner GARRETSON. Mr. Ford, what was the average going wage of the men prior to the putting in of this plan, the men that are now receiving \$5 a day?

Mr. FORD. It was a minimum wage of \$2.34 a day; which was about 15 per cent higher than the going wage.

Commissioner GARRETT. In following up the question of Commissioner Ballard it was your feeling, or was it, that this educational process was necessary in a large number of instances to enable the men to utilize the benefit that came to him through the increased wage?

Mr. FORD. Yes, sir. We started on that a couple of years before we started the increased wage.

Commissioner GARRETSON. You were preparing the ground?

Mr. FORD. Yes, sir.

Commissioner GARRETSON. In regard to the leaner that was referred to that exists, has your experience shown you that when there is a tangible definite incentive given it tends to eliminate the leaner?

Mr. FORD. Yes, sir.

Commissioner GARRETSON. That is all.

Chairman WALSH. At this point we will stand adjourned until 2 o'clock.

Thank you very much, Mr. Ford, you may be finally excused.

(At this point, at 12.30 o'clock, Friday, January 22, 1915, a recess was taken until 2 o'clock in the afternoon of the same day and at the same place.)

AFTER RECESS—2 P. M.

Chairman WALSH. The house will please be in order. We are about to resume.

Mr. Gompers.

#### TESTIMONY OF MR. SAMUEL GOMPERS.

Chairman WALSH. Your name is Samuel Gompers?

Mr. GOMPERS. Yes, sir.

Chairman WALSH. And you are the president of the American Federation of Labor?

Mr. GOMPERS. I am.

Chairman WALSH. You have occupied that position for how many years?

Mr. GOMPERS. Nearly 30 years.

Chairman WALSH. And you have been connected with the labor movement in America for how many years?

Mr. GOMPERS. Nearly 50 years.

Chairman WALSH. Will you be kind enough, Mr. Gompers, to outline to the commission your attitude, from your observation and experience in the labor movement and as a citizen of the United States, toward the centralization of industrial control and its effect on the condition of labor in the United States?

Mr. GOMPERS. I should be very glad to do that, Mr. Chairman, if I may be permitted to say I received a questionnaire from your commission, and I have made some answers, or partially written answers, which I should like to have the opportunity of presenting. But if I have your permission, I should like to precede it by making a request and taking cognizance of some statements which have been made in connection with the hearing now before your commission.

Chairman WALSH. Very good, Mr. Gompers, we will be glad to hear you in your own way.

Mr. GOMPERS. First, let me say that I have received a telegram from the chairman of the general executive board of the Commercial Telegraphers' Union of America, an organization affiliated to the American Federation of Labor, in which the information is given that a telegram was also sent by that executive board to you, sir, as chairman of the Industrial Relations Commission. And the request is made that certain officials of the Western Union Telegraph Co. and of the Postal Telegraph Co. be summoned to appear before your commission and to give testimony relative to wages paid, pensions, rights of labor to organization, blacklist and the intimation is given that you will get some startling information. From my own investigations I can promise you that you will get some startling information.

One of the subjects I heard discussed this morning before your commission was that the relative rights of business should be recognized by law the same as to the relative right of labor to organize. Speaking for myself, as well as for the American Federation of Labor, we believe that it is unwise to interpose objections to the organization of business men for business purposes. But the reason I take cognizance of this discussion, or the discussion of this point is, the fact that the concept is entirely erroneous on the part of the gentleman who made that claim for the equal rights of what he called labor to organize and business to organize.

Business is the handling of things, the product of human labor. "Labor," is the erroneous expression for human beings—the right of human beings to organize for the purposes of protecting the only thing that they have and own and can control is their labor power, which can not be bereft or separated from them as being human beings. And the hypothesis is entirely wrong in making the relative claim of the laborers to organize to protect themselves—their labor power—and the right to business men to organize to protect their property—the product of all human beings.

Another point mentioned by one of the gentlemen who appeared before you this morning, and I understand that the claim has been made in other hearings before this commission, is that the organizations of labor, the labor unions, ought to become incorporated in order that the agreement which they enter with employers may be regarded as more inviolate, to impress upon the organized workers the sacredness of contract and to, by that means, secure the greater dependability of employers in regard to their agreements with employees.

Now, the fact of the matter is that in the present unincorporated condition of the labor organizations they are no more or no less responsible in the law, before the law, for breach of contract than are the employers now.

One would imagine that the employers, or many of them, who advocate the incorporation of labor organizations—that the employers now are responsible in the law for the violation of agreements with organizations of employees, and that therefore the relative responsibility should be established, and that through the incorporation of the trades-unions. As a matter of fact, they are not responsible to be mulcted in damages and are not mulcted in damages in lawsuits by reason of employers breaking such agreements with labor organizations. And the proposition to incorporate the unions, as a gentleman some years ago said to me, would simply make it easier for the funds of a union to be taken in compensation for damages to employers. And my answer was that

like Claude Melnott, in the *Lady of Lyons*: Princes must not be generous with other people's money.

There are enough opportunities now—all too many for the funds of organization of labor for working people to be reached and confiscated and at least we are not going to advocate, as working people, the enactment of law by which the process shall be made easier by which the funds of our unions may be confiscated.

The history of the world is replete with evidence of constituted authority robbing the working people of their pittances laid aside for their own protection, and the protection of their young. We will protest against a repetition of such procedure, whether by enactment of law or proclamation—at least, if we can not prevent it—and I think we can, but if we can not we will at least protest.

There is another point, and that is the constant harping upon the worn-out idea that the unions of labor restrict output, so commonly held and so often repeated that real many people finally reach the stage where they themselves believe it. The fact of the matter is that it is much more largely true of unorganized workmen than of organized workmen.

It is true that in the old, old time that workingmen did "soldier," using the trade expression, on a job, in order "to make it last." It is true also that opposition was manifested to the introduction of new machines, new tools, but that is past. I mean that is practically past in so far as organized labor is concerned. I will not pretend to say that it does not exist at all, but to a very limited and to a continually decreasing extent.

The labor movement of the past 30 years at least, or more, has changed that mode of thinking and that mode of procedure among the working people, so that instead of reducing output or opposing the introduction of machinery and new tools of labor we encourage them; but insist, first, that with the introduction of new machinery the men whose trade has been displaced by such new machinery that these men be given the first opportunity in the operation of the machine, be given preference to others in the operation of the machine, and in addition to demand a reduction in their hours of daily labor. Not to reduce output, but that the workers shall be the participants in the results of the better and swifter means of production. And it comes with bad grace on the part of our large captains of industry to charge the labor movement with curtailing output, when the workmen in our country individually and collectively produce more than the workers of any other country on the face of the globe, but when the corporations through a series of years concentrated their industries in fewer plants, shutting down plants in whole districts, throwing hundreds and thousands of workmen out of employment, throwing them into the streets, the whole plant dismantled or gone into decay, to the detriment, not only of the workers let out, but to the community in which they worked and lived and helped to make some better.

Mr. Chairman, I do not know whether the commission would be interested in the reading of a letter received last night, or rather it being a report made to me as president of the American Federation of Labor by the organizer of our federation in this district and whom I asked to make an investigation and report to me upon the conditions as they obtain in Roosevelt, N. J., and the causes which brought about that condition. It is a letter that might occupy not more than six or seven minutes.

Chairman WALSH. Very good, Mr. Gompers; just proceed.

Mr. GOMPERS. In view of the very severe cold I have, I should like to ask one of the gentlemen to read it.

Chairman WALSH. Mr. Garretson, will you please read this letter?

Commissioner GARRETSON. Mr. Chairman, do you want me to thunder the letter?

Chairman WALSH. I would like to have it read so that the farthest auditor might hear it.

Commissioner GARRETSON. Very well.

NEW YORK, January 21, 1915.

Mr. SAMUEL GOMPERS,

*President American Federation of Labor.*

*Ouray Building, Washington, D. C.*

DEAR SIR AND BROTHER: In compliance with your request I herewith beg to submit a report on the strike situation at Chrome, N. J., where between six and seven hundred men have been on strike since January 4 against the American Agricultural Chemical Co., who have about six plants at Chrome, Carteret, and

Roosevelt, N. J., so that you may be in a position to furnish correct information to President Frank Butterworth, of the International Brick, Tile, and Terra Cotta Workers' Alliance, and a local union of that organization at Roosevelt, N. J., both of whom have made inquiry to you for information and a request to make an investigation.

The cause of the strike was occasioned through the company, some three months ago, reducing the wages of the men from \$2 per day of 10 hours to \$1.80 per day, making a reduction of 40 cents per day, or 4 cents per hour. It is claimed by the men that they were induced to accept this reduction at the time upon the plea of the company that it would be restored when the depression was over, which they expected would be on the first of the year. The men, believing that it would be restored on or about January 1, patiently remained at work, but when they found out that company did not intend to live up to their promise they went on strike on Monday, January 4. A few days after the company issued a circular which was passed out to the men, in which they called attention to the general depression throughout the country, compared the wages paid in the various brickyards and other classes of labor throughout that section, and stated in the circular that they could get all the men they needed for 16 and 17 cents per hour, but they would give the preference to their own men if they would return to work immediately under the reduction. This the men refused to do.

On January 5, one day after the strike took place, Mr. Louis Tarcai, who is connected with a Hungarian publication in Manhattan, called at this office, stating that a committee of the men had communicated with him and the officials of the paper, calling attention to the strike. There are four nationalities involved in this strike—Polish, Slavish, Italian, and Hungarian. The Hungarians are more numerous than the other three. I instructed Organizer Tykoff to go to Chrome that same day with Mr. Tarcai, look over the situation, and render such assistance as he could. Since that time he has gone there every day, attending and addressing meetings and perfecting organization among the men, their charter having arrived yesterday, some 300 having paid the initiation fee and are enrolled at this writing.

The Italian element among the strikers secured the services of an Italian speaker, who has been assisting in keeping them together and familiarizing them with what is going on among the other nationalities.

I secured the services of Mr. Tarcai, paying him for same during the last 10 days. On Wednesday the 20th, following the shooting of so many men by the deputies, I sent Organizer Collins to make a careful investigation of the situation and the reasons leading up to the shooting of these men. I did this because I knew he would not be swayed by the excitement, but would report the conditions as they actually were, and I herewith quote his written report to me as part of this report to you:

"HUGH FRAYNE,

*"General Organizer, American Federation of Labor:*

"I herewith beg to report to you the result of my investigation of the strike situation as I found it on my visit to Roosevelt, Chrome, and Carteret, N. J., on Wednesday, January 20:

"The short train ride reveals that along this coast line of the Kill von Kull many industrial baronies have been created in the hope that no possible interference from agitators can take place.

"The present strike is a complete refutation of the idea of benevolent corporations.

"The newspapers have been misinformed of the motive for the strike; it is not for an increase of wage, but a protest against a decrease of 40 cents a day; the wages were \$2 for a day of 10 hours.

"The location of the borough of Roosevelt makes the cost of living higher than in the city of New York because of the lack of transportation facilities.

"The population is 90 per cent foreigners, 80 per cent Hungarian and Slavish, 10 per cent Italian, and 10 per cent native born.

"There are between six and seven hundred strikers from the American Agricultural Chemical Co.; the same proportion of nationality prevails.

"The chief of police and his men have testified to the peaceful attitude of the strikers.

"The mayor takes the same attitude and has expressed a desire for investigation.

"The mayor, in my conference with him, spoke without any solicitation on my part of the help the federation had been in keeping the strikers peaceful. The sheriff was not called into the strike by the mayor of the city of Chrome, but at the solicitation of the American Chemical Co.

"The sheriff claims that the strike was the result of agitators. This is untrue because the strikers worked for three months with the wage reduction in the hope that the company would treat with the committees and restore the old scale.

"The business men of the city have petitioned the company that it is impossible to expect men to live on \$1.60 a day.

"The deputies were already formed up and picked out before the warrants were served; this helps to establish the relations between the company and the prosecutor's office.

"The deputies had no legal right outside of the company's premises, yet the morning that the strikers were picketing the railroad for strike breakers they, the deputies, rushed out of the gates and without any provocation opened fire. This is the testimony of the policeman who was on duty.

"The mayor in conference told me that he felt in an embarrassing position because of his order to the strikers not to do any damage or break the peace, and living up to this they were shot without the slightest provocation, and the wives seem to think that the mayor did not instruct them right, as they should have been in a position to defend themselves.

"Fraternally submitted.

"WILLIAM COLLINS,

*"Organizer, American Federation of Labor."*

In conclusion I desire to say that within 24 hours after the strike took place organizers and interpreters in the different languages, representing the American Federation of Labor through this office, were on the ground advising and counseling with the men not to violate the law and to commit no violence of any kind. They also conferred with the mayor and other city officials and the representatives of the company in an effort to secure an amicable and peaceful settlement of the strike, but the latter were unwilling to settle except that the men return to work and accept the reduction in wage.

I also desire to say that I got in touch with Mr. James O'Connell, of the Industrial Relations Commission, and furnished him with a copy of the circular issued by the American Agricultural Chemical Co. to their men and gave him such other information as might be of assistance in the event that the case was brought before the commission. I have also had a conference with Mr. Gill, the investigator appointed by the Industrial Relations Commission to make a thorough investigation of the strike, its causes, and who is responsible for the shooting of the men. This activity is in line with the policy of the American Federation of Labor and refutes the statements of those who say that nothing is being done to organize and help the unskilled foreign-speaking workers.

As previously stated, some 300 of the men have been enrolled and a charter granted by the American Federation of Labor, and the indications are that the men will stand firmly together and refuse to return to work until the company restores the original wage of \$2 per day.

With best wishes, I beg to remain,

Fraternally, yours,

HUGH FRAYNE,

*General Organizer, American Federation of Labor.*

MR. GOMPERS. Mr. Chairman and gentlemen, under the impression that your commission has made considerable investigation into the activities of the detective agencies, in a series of years much information has come to me upon that subject. From the old-time Pinkerton who created small standing armies, privately engaged—privately hired—up to the development of the modern detective agencies. I am informed, and I think my information is reliable, that more than eight-tenths of the work of the detective agencies now is strike breaking, strike provoking, trouble breeding agencies with an espionage upon men and women employed in industry in the unions of labor, and the espionage upon labor leaders.

As one of the types of agencies to which I refer, I hold in my hand this document of about 50 printed pages—let us be exact, 54 printed pages, larger than a folio; and the title is described as "Secret Service, Leader-News Building, 524 Superior Avenue. Phones, Bell—Main 4496; Guy Central 4886. Copy-

right 1914, by R. J. Coach, president and general manager. The R. J. Coach Secret Service Co., Cleveland, revised edition."

I have but one copy of this document, but it deals with all forms of service to employers. On page 1 it starts out, speaking of the company, and says: "He has methods of his own for disposing of impending labor troubles."

On page 19, it says: "Every symptom of troubles, whether of dissatisfaction or indifference among the operating force, will be reflected through an all-embracing system if properly established." And then again on the same page: "The method of tracing it to its source and correcting it will entail but little time and expense." Then again: "Conditions once learned and reported to the client ought to make changes so gradual as to be unnoticeable. Disturbers are dropped from the pay roll; both imaginary and just grievance by the men are given attention; the workmen become loyal, and the force gains greater productive power."

The following page: "The operators of this service"—this Coach Service Co.—"are experts in several lines of work, skilled executives, expert accountants, and men able to work at the machines and bench. Experts in industrial work must be trained leaders of men, forceful and unyielding." Further on: "They work as ordinary employees, each does a full day's work. They draw their pay the same as other men."

Another part: "In another case the owners of the factory were threatened with a strike; also the output had decreased 25 per cent. Our operatives soon ascertained that the men were in rebellious mood because of the tyrannical methods."

In another: "The daily service fulfills its purpose well, but by having one or more of our operatives in the plant on monthly contract, the employer not only receives the benefit of a cheaper rate but is always kept in touch with what is going on among his workmen."

Again: "When a disturber or discontent breeder enters the plant his identity is almost immediately revealed. You also know just how the men regard contemplated reductions or increases in wages, and if action requires, you can prepare yourself for trouble."

"As the operative widens his circle of acquaintance he soon learns the innermost thoughts of each man he comes in contact with, and the general manager knows how much he can depend on each employee if an organizer starts to work secretly among the men—this is now the favorite method of procedure—the operative having established himself, can intelligently report upon the attitude of the workmen toward unionization. The fact that progressive employers generally are adopting this form of service proves that it must have merit beyond the few benefits mentioned here."

Then, again: "Operating under agreement with labor unions as many of them are conducted, is distasteful to employers. They are never safe from arbitrary demands that may be imposed upon them. If your workmen are not now organized it does not indicate that they never will be. The American Federation of Labor has issued Federal charters to more than 14,000 bodies of men belonging to craft that never before were organized. More than 2,000,000 of men are members of the A. F. of L. unions, and there are hundreds of thousands of others who belong to the I. W. W. and the Knights of Labor and kindred organizations, and the organizers have to organize in order to hold their positions. Our method of assisting the employers in this connection have proven effective."

On page 28 of the prospectus of this company, which is sent to employers as an inducement for them to engage the services of this company—the R. J. Coach Secret Service—are these significant words: "Our operatives soon get the run of the labor agitation in the shop or factory. Our methods are such that the agitator soon finds himself a minority of one in the establishment, with the atmosphere too frigid for comfort."

And now mark this—the words that follow: "We do not care to say more on this subject."

Further on the document sets forth: "Only those who have participated actively in a strike in which capital and labor were locked in desperate conflict are able to appreciate the danger, the hardship, the suffering, and the enormous waste of money involved." Then: "The R. J. Coach Secret Service is especially helpful in averting strikes. Our operatives working unknown among the employees in ways that have proved efficacious in years of experience." And then: "Our operatives soon put an end to the efforts of agitation. Efforts of agitators are counteracted, and gradually the malcontents are weeded out."

And so on and so on. And I again call attention to the language or to these words: "We do not care to say more on this subject."

And after having said all that it has said, when through the maneuvering and the effort to hide the meaning of language, a detective agency will use the words which I have quoted, it leaves very little to the imagination as to what depths and lengths such agencies go in order to be of service as an agent provocateur of trouble where life is held insignificant, if only one thing can be done—that is, to break the spirit of the workers.

Chairman WALSH. I have been asked to ask you, Mr. Gompers, if you have any objection to stating whence the source of that circular?

Mr. GOMPERS. All employers are not hostile to labor or organized labor. There are a number of men—large employers of labor—who are in sympathy with the organized-labor movement, and these detective agencies can not know who is who in the world of employers, and they send these almost indiscriminately to any employer who they think may be a prospective patron of their services; and through these friendly inclined employers I receive documents of this character, and this is one of them.

Reverting to the question you asked me, Mr. Chairman, I am under the impression it is contained in the questionnaire that was submitted to me.

Chairman WALSH. Very good. You may proceed in the way you suggested at the inception of your testimony.

Mr. GOMPERS. I hold in my hands the questions submitted, and I have in a way answered some of them. I take it that the questions ought to go in the record so that the answers may be intelligent?

Chairman WALSH. Yes. Will you kindly read the question?

Mr. GOMPERS. "Please outline your attitude toward the centralization of industrial control and its effect on the condition of labor in the United States."—question 1.

Answer. The attitude of the American Federation of Labor toward the centralization of industrial control as such is the same as its attitude toward all other employers of labor. The question of centralization of any industry is one of natural development, and, regardless of legislation or attempts at judicial intervention, decentralization can not and should not be attempted. We can not turn the wheels of industry or of progress backward. To a large extent the effect of the control of the centralization of industry has had a deleterious effect upon the condition of labor in the United States. But for this condition two causes are attributable: First, the constant influx of immigration unrestrained by and practically unlimited by the immigration laws of our country; and, second, by the failure of the workers themselves to assert their rights of organization and of having a voice in determining the conditions under which they shall work.

"2. Do you consider that the relative position of labor has been improved or impaired by the development of large corporations and the centralization of their control?"

Answer. The relative position of labor has improved indirectly from the development and centralization of industry, but in the relations of employees to the corporation they have been impaired.

"3. Please outline the general attitude which was assumed toward industrial combinations during the early part of the twentieth century at the time when trusts and large corporations in the basic industries were being established?"

Answer. The attitude of the American Federation of Labor to industrial combinations I have outlined in my answer to the first question, that of the relation of employee to the employer. In the general aspect of the industrial combinations each individual union member, like every other citizen, has taken his own position toward that. This can be best epitomized in the demand of the people, including the workingmen, for the legislation as exemplified in the enactment of the Sherman antitrust law of 1890, whereby discrimination and the unwarrantable methods of monopolization and discrimination of the industrial combinations were sought to be curbed, and at which time the workingmen in their organized capacity sought exemptions of the operation of the Sherman antitrust law from the voluntary organizations of working people and agriculturists and horticulturists, and which exemption was passed by unanimous vote of the Senate, and later eliminated from the bill under assurances that the Sherman antitrust law could not be made to apply to the labor organizations, but which later were made to apply, by judicial interpretation of the fact, after which the agitation on the part of organized labor movement was inaugu-

rated and culminated in the enactment of the labor provisions of the Clayton antitrust law of October 15, 1914.

"5. Please point out in which of the industries you consider that labor has made the most rapid and satisfactory development, and in which industries you consider that this development has been most greatly retarded?"

To be answered later.

"6. A, B, and C. Is it, or is it not, a fact that the development toward trade-unionism has been most rapid and complete in those industries which have not been dominated by large corporations, such as:

"A. Building trades.

"B. Bituminous coal industry.

"C. Printing and publishing."

Answering question 6, A, B, and C, will say that the development of trade-unionism has been great in building trades, bituminous coal industry, in the printing and publishing trades, and on the railroads. The question of incorporation has not either tended toward the development or retarding the movement of organization in at least two of the industries named corporations are highly developed.

Where I said incorporation I mean corporation; that is, in the coal industry and in the railroads. There are no greater corporations.

"7. Is it, or is it not, a fact that the organization of labor and the advancement of labor conditions has either been retarded or completely blocked in the industries in which large corporations are dominant, such as:

"A. Iron and steel industry.

"B. Paper and wood-pulp industry.

"C. Slaughtering and meat packing.

"D. Automobile industry.

"E. Petroleum refining.

"F. Cotton textiles.

"G. Woolen and worsted goods.

"H. Flour and other cereals.

"I. Telegraph and telephone."

Answering question 7, with its subdivisions, I would answer it generally in the affirmative.

The attitude of these corporations in retarding or blocking organizations of the working people has been an attitude assumed within this past 10 or 15 years.

"8. Please take up, one by one, the principal basic industries which employ the larger number of workers and outline the conditions which make for the success or failure or effective labor organization."

Eight is covered by my answer to question 7.

"9. Do you consider that under existing conditions the employees in such industries as the steel industry, paper and wood-pulp industry, slaughtering and meat-packing industry, etc., are protected in the exercise of their rights as workmen and citizens?"

Answering question 9, I should answer categorically in the negative.

"10. If not, what line of action do you consider to be socially desirable to assure them in the exercise of such.

"Please explain both the method by which such rights can be obtained and wherein it is socially desirable that the workmen in such industries should be in a position to secure their rights."

Answering question 10 would say that the rights of workers in the establishments coming under categorically question 9 can be obtained by the organization of the working people, every right should be guaranteed to the workers to organize and to exercise their normal natural activities to protect against wrong and demand rights; to strike, to be protected in the conduct of a strike; to eliminate the detective agencies and provocateurs and armed private guards, such as are exercised by the detective agencies and exemplified, for instance, by the R. J. Coach Secret Service Co., of Cleveland, Ohio, and whose work is set forth in one of the documents from which I have quoted, from their own publication.

The restriction, limitation, and regulation of immigration would be the greatest factor to stop the constant flow of immigrants contracted for and induced by the corporations and the ship companies, and which now and for the past 10 years has afforded a constant flow of immigrants to the plants of these corporations; the stoppage or limitation of which would afford the opportunities



for the workers in these establishments to regain their lost courage, character, and manhood, and to assert their rights to organize for their own and for the common protection.

"11. In your experience as president of the American Federation of Labor have you encountered any instance in which the actual decision upon labor policies has been exercised by the financial powers rather than by the working managers of the corporations?

"A. Strike in the sheet and tin-plate industry in 1901.

"B. Strike in the anthracite coal industry in 1903."

Answer to question 11: The financial powers, as a rule, have insisted upon certain dividends, of earning power of the plants of the corporations which dominate rather than the determination of local labor policies. During the financial panic of 1907, for instance, a number of the working managers of the local establishments urged the United States Steel Corporation to be permitted to reduce wages, either in compliance with or concurrently with the declaration of the American Federation of Labor protesting against reductions in wages, and urging the working people of America to resist every reduction in wages, and if that resistance meant the loss of the strike to resist in any event, that it was better to resist and lose than not to resist at all.

Say, either in compliance with or concurrently with the declaration of the American Federation of Labor to protest against reduction in wages the Steel Corporation decided that wages should not be reduced.

It was the United States Steel Corporation which formally declared against the unionization of its plant and notified its subsidiary companies.

What I mean to say by my answer to this question is that the corporations, the financial dominating spirit of these corporations, are less concerned with the policies and methods employed by the subsidiary companies or branch companies—all they want is the dividends, and leaving all else to the local management. And it is evidently a policy that secures the best results for the princes of finance and relieves them from the details of management and sometimes of responsibility.

Question 13 reads as follows: "What is your attitude toward the social desirability of endowed foundations for the investigation of labor conditions?"

"(a) Do you consider that such foundations can impartially investigate problems in the field of industry?

"(b) What objections do you see to the establishment of foundations in perpetuity similar to the Rockefeller, Russell Sage, and Carnegie Foundations?

"(c) Granted that it is possible for a scientific and impartial investigation of industrial conditions to be made, do you consider that the results of such an investigation would carry conviction to the workers or would greatly influence the action of the employers?

"(d) Granting that the investigation was impartial and scientific, do you consider it would increase or alleviate industrial unrest?"

Answering 13: I believe that such foundations as the Rockefeller Foundation can not impartially investigate a problem in the field of industry. The whole basic principle upon which that foundation is instituted—the guiding spirit behind it all precludes the possibility of impartial investigation as to the relations between employers and employees.

Answering 13 (b): The art of teaching should be either conducted by the State and the costs borne by the people of the State, or only private teaching should be done by the family itself or by universities and when they are endowed the teaching should be wholly independent from the influence of such endowment. Several of the colleges and universities have protested against the influence and domination of private endowments, even in some of the universities and colleges of our country.

As to the desirability of such foundations as the Russell Sage and the Carnegie, that may be open to question, but there is no dissension among thoughtful and liberty-loving persons as to the position, the object, and the scope and spirit of the Rockefeller Foundation.

Answering 13 (c): I can not take it for granted that it is possible for a scientific and particularly an impartial investigation of industrial conditions to be made by such an institution as the Rockefeller Foundation. In addition, I would say that the results of industrial investigation by either of these foundations would not carry conviction to the workers or would greatly influence the action of employers.

Answering 13 (d): I have already partially answered and would add that it would not increase or alleviate industrial unrest. And I may add that, in my

judgment, unrest—discontent—is not an evil, is not a thing which ought to be given its quietus, and it could not no matter what effort might be made. A healthy unrest among the people, an intelligent discontent is the constant intellectual groping, moving, striving for conditions better than they are to-day, and if it had not been for the unrest and the discontent of the past we would not have even the tolerable conditions of living and labor which we have to-day, and what the past has been to the present, so will the social unrest—the industrial discontent, be for the future.

Chairman WALSH. Granting that you do not consider that the activities of the foundations named above are socially desirable, please outline, if you will, the course of action or character of legislation which you would consider desirable?

Mr. GOMPERS. In so far as these foundations would devote their activities to the sciences, medical, surgical; to the laboratory, to the contributions toward history; for the arts, the sciences, they would be helpful. But the effort to undertake to be an all-pervading machinery for the molding of the minds of the people in their relations between each other in the constant industrial struggle for human betterment—in so far they should be prohibited from exercising their functions, either by law or by regulation. I think that, for instance, the secretive, diplomatic method of the Rockefeller Foundation, in having its educators placed upon the official list of officers of the Federal Government, to whom a nominal salary was paid by the Government, which in turn gave the Rockefeller Foundation the opportunity to send their literature through the mails under the franking privilege of the Government was a fraud upon the Government as such, and in addition it was a subordination of the principle of education and an imposition upon the people of our country.

I think one of the worst features, one of the most dangerous features of these foundations, is where they undertake to mold the opinion and the judgment of the people. I do not think that the Government of our country or that the people of our country are ready to surrender the function of teaching to a private institution such as the Rockefeller Foundation, with the history behind that foundation—the means by which their moneys were first made and later accumulated.

Chairman WALSH. Commissioner Weinstock would like to ask some particular questions.

Commissioner WEINSTOCK. Several questions, Mr. Gompers, have been handed to me with the request that I present them and invite your answer. The first question is, If a union injures others unlawfully, by a boycott or sympathetic strike or by violence such as dynamiting, why should it not be liable in damages?

Mr. GOMPERS. May I see that?

Commissioner WEINSTOCK. Certainly.

(Commissioner Weinstock hands paper to Mr. Gompers.)

Mr. GOMPERS. What is this [indicating]?

Commissioner WEINSTOCK. That is another question.

Mr. GOMPERS. The party who asked you to in turn ask me this question reveals his own misunderstanding or his own unjustifiable hostility toward organized labor, and before I proceed to answer this question, Mr. Commissioner, unless you assume responsibility for the question, I would like to know the personality of the questioner. He or she finds me upon the witness stand, and I am here in my own name with the right to inquire who asks this question.

Commissioner WEINSTOCK. Well, he is a representative of the employers' association.

Mr. GOMPERS. My name is Samuel Gompers; I reside in the city of New York, with office at the offices of the American Federation of Labor, Ouray Building, Washington, D. C. I am responsible for my utterances here, and I want to know who is my questioner.

Chairman WALSH. The writer of the question has indicated to me from the audience that he desires it stated that he is Mr. Walter Drew.

Mr. GOMPERS. I thought so; that is his type. [Applause.]

Chairman WALSH. We must have no audible expression of your feelings. That is absolutely imperative, and I hope that you will aid us in carrying this out.

Mr. GOMPERS. "If a union injures unlawfully"; the question is one of those ingeniously constructed questions, something like the question put to a witness, "Do you still beat your wife?" If you answer that you do, you imply that you always have beaten her, and still do; if you say no, it is an implication that you no longer beat your wife.

"If a union injures others unlawfully." If a union or any other body of men injures another unlawfully, then they are subject to be brought to the bar

of justice and placed upon their defense. The question of boycotts or sympathetic strikes—boycotts and strikes are, under the law of the United States, not unlawful. The Clayton antitrust law has taken out of the category of unlawfulness the strike and the boycott. And the question, so far as strikes and boycotts are concerned, has no meaning.

A VOICE FROM THE AUDIENCE. How about the hatters' decision?

Chairman WALSH. Will you kindly retire, that gentleman who asked that question? We must have perfect order.

A VOICE FROM THE AUDIENCE. I will do so. I would like to ask Mr. Gompers—

Chairman WALSH (interrupting). Will the sergeant at arms speak to that gentleman?

A VOICE FROM THE AUDIENCE. I am going out.

Chairman WALSH. You may proceed, Mr. Gompers.

A VOICE FROM THE AUDIENCE. I am going out; I am going out as fast as I can.

Chairman WALSH. You may proceed, Mr. Gompers.

Mr. GOMPERS. If I may be permitted, I shall take cognizance of the question asked by the gentleman, but after I have finished this.

Chairman WALSH. If you could and would, Mr. Gompers, I wish you would proceed. We must absolutely, in every way, discourage such interruptions. Please pass that unnoticed.

Mr. GOMPERS. The interjection of this question of violence and dynamiting is an insult, and only intended as an insult. The idea of asking a witness before this commission this question: "If a union injures other unlawfully." I am going to omit the question of boycotts and strikes. "If a union injures another unlawfully," by violence, such as dynamiting, why should it not be held in damages? Anybody who indulges in violence and dynamiting ought to be brought to the bar of justice and sent to prison. It is not a question of unions being mulcted in damages in civil proceedings. I am sure that the question does not arise as the result of ignorance; it is intended to be an insult.

Mr. WALTER DREW. Mr. Chairman—

Chairman WALSH (interrupting). Kindly keep your seat, Mr. Drew. You may be called as a witness, and I will ask you to please keep your seat or I shall have to ask you, as I did the other gentleman, to leave.

Mr. GOMPERS. Before the Senate Committee on Judiciary, having under consideration a bill to relieve the voluntary associations of working people from the operations of the Sherman antitrust law, as interpreted by the Supreme Court of the United States, this same question was asked by Walter Drew of me while I was addressing the committee, and the repetition of it here is simply an insult, no matter what his intentions may have been.

Commissioner WEINSTOCK. You have anticipated the next question, Mr. Gompers, "Why should a law-abiding union resist being made legally responsible for its actions?" I think you have covered that.

Mr. GOMPERS. Another Claude Melnotte, who would be liberal with our money. May I have your permission to take cognizance of the question propounded by the gentleman who was justifiably ejected from the room?

Chairman WALSH. I do not like to be stubborn, but I am going to ask you to assist us in maintaining the spirit of the rules of our commission and kindly pass that by unnoticed.

Mr. GOMPERS. I will say this: That since—that any action of organized workers since October 15, 1914—such activities as that exercised by the hatters of Danbury, Conn., no such suit could be brought against the working people as was brought against the hatters of Danbury under the Sherman antitrust law.

Commissioner WEINSTOCK. The next question is as follows: "Have you seen the Eleventh Special Report of the United States Commissioner of Labor as to Restriction of Output by American Trades Unions, prepared by Prof. Commons?"

Mr. GOMPERS. I think I have not.

Commissioner WEINSTOCK. Then, of course, you can not answer the next question if you have not seen that report. It is "Does that report show the restriction of output to be more or less universal?"

The next question is: "What can you say of jurisdictional disputes among unions? Do they not lead to long and costly sympathetic strikes, involving many innocent third parties? Can the American Federation of Labor control such disputes among its members? Has it done so? What is the remedy? Would not legal responsibility tend to largely end such disputes?"

Chairman WALSH. Please reread that.

Mr. GOMPERS. The question is: "What can you say about the question of jurisdictional disputes among unions?" Well, I can say that they exist and have existed from the beginning of the world; that men have had in the past and do now endeavor to do work when they have not work in their own trade or calling—do try to find work in some other trade or calling, and those who find themselves pinched for work in the trade or calling in which employment is sought—and when they themselves are pinched for work or opportunity they are going to protest whether they are organized or unorganized. It is in part due to the maladjustments of modern industry on the one hand—the lack of foresight of the captains of industry and due to the constant transition of new machinery in industry, new tools, and substitutes that men's occupations are gone, trades dissipated, trades for which men have given three—five years of their lives learning and they find their occupations gone.

"Do these not lead to long and costly sympathetic strikes involving many innocent third parties?"

Sometimes; yes.

"Can the American Federation of Labor control such disputes among its members?"

The American Federation of Labor has no members except as the organizations themselves are units, and these units are members. The affiliated organizations—the units—have the members. The American Federation of Labor can not control—the American Federation of Labor is a voluntary association. As its name implies, it is a federation of organizations. It can act and does act in an advisory capacity, to be helpful, to express its judgment, but it has not the power of enforcing its judgment. It must be dependent and it is dependent upon the voluntary acceptance by the organizations and the men of the declarations and the judgment reached by the American Federation of Labor.

"Has it done so?"

I assume that means has the American Federation of Labor done so. It has done what I have outlined.

"What is the remedy?"

One might as well ask what is the remedy for storms. Storms are just as normal as is the sunshine. The result of natural conditions, and I prefer that Mr. Walter Drew would furnish a remedy for storms and the sometime burdensome heat of sunshine; it is not within my power.

"Would not legal responsibility tend largely to end such disputes?"

No.

Commissioner WEINSTOCK. Is it or is it not a fact, Mr. Gompers, that these jurisdictional disputes, which frequently inflict upon third and innocent parties great injury—do not place in the hands of employers who are antagonistic—hostile employers—

Chairman WALSH. Mr. Garretson says that he is absolutely unable to hear you. Mr. Reporter will you please read the question as far as it has been put?

The REPORTER. Is it or is it not a fact, Mr. Gompers, that these jurisdictional disputes, which frequently inflict upon third and innocent parties great injury—do they not place in the hands of employers who are antagonistic—hostile employers—

Commissioner WEINSTOCK. A reason for refusing to deal with organized labor?

Mr. GOMPERS. Yes, sir; that is true.

Chairman WALSH. Now, Mr. Reporter, I wish you would please read in a loud voice the entire question.

The REPORTER. "Is it or is it not a fact, Mr. Gompers, that these jurisdictional disputes, which frequently inflict upon third and innocent parties great injury—do they not place in the hands of employers who are antagonistic—hostile employers—a reason for refusing to deal with organized labor?"

Mr. GOMPERS. Yes, sir; that is true—unfortunately true, and it is a condition which we can not change. It is a condition that we are endeavoring to persuade our fellow workers and fellow unionists to meet. In the past few years, outside of organizing and the effort to secure legislative reform from Congress and from the State, there is such effort being made by the American Federation of Labor to eliminate or minimize jurisdictional disputes—as much effort as to any one thing.

Commissioner WEINSTOCK. Do you not think it is possible, Mr. Gompers, from your experience as a labor leader, that these jurisdictional disputes can be eliminated without cessation of work?

Mr. GOMPERS. No.

Commissioner WEINSTOCK. You do not?

Mr. GOMPERS. They ought to be; it may be desirable that that be done, but it can not be done; that is, effectively and actually. For men who are struggling for bread and the earning of a livelihood involved in working at their trade or occupation—it is a question of seeing that job taken away by one he regards as an interloper, and what we aim to do—what our movement aims to do is to bring it down to the smallest possible number and the least possible friction and are trying to reach that result. We find it frequently that there are two claimants regarded as opposite trades, but one just as insistent as the other, just as earnestly and just as ably, presenting the case of its right to do the work and not the other fellow.

Commissioner WEINSTOCK. Is there no way of making it plain to the workers themselves that every time they engage in a jurisdictional dispute that means cessation of work or their working into the hands of their enemies, and putting into the hands of antiunion employers a lash that can be used on the backs of all unions?

Mr. GOMPERS. That is what we are trying to do. I think the report of the executive council of the American Federation of Labor as made time and again to conventions upon this subject of jurisdictional disputes—the question discussed in the various declarations we have made, the various differences which we have tried to adjust—we have done our best, and are doing our best, and the fact of the matter is that we are not given credit for doing anything at all. What opportunities have we to reach the ten millions of workers throughout America or more? Our publications, our leaflets, and our meetings, after, however, the thing has percolated from one mind and one mouth to another, along the line, the thing is lost, or nearly lost, and all you get is the essence, if you can get that at all.

Commissioner WEINSTOCK. Well, are jurisdictional disputes increasing or diminishing in number?

Mr. GOMPERS. That is difficult to answer. Mr. Commissioner, there is no such thing as finally adjusting jurisdictional disputes. The very adjustment you make to-day is disarranged to-morrow or next year by reason of a new machine, a new tool, a new substitute being offered. For instance, let me put this—let me take a concrete case.

Take the dispute between the sheet-metal workers and the carpenters upon metal trim. Now, the sheet-metal workers say, "This is sheet metal, and, being sheet metal, it belongs to us to do." The carpenter says, "This is simply a substitute for wood. It is not a tinker's damn or a tinker's hammer, but it is the carpenter's hammer." And so I am told that in some instances contractors prefer the carpenters to do it, because they are held, by the contractors, to be the most competent to do that kind of work, and there they are. And there are some sheet-iron manufacturers who claim that the sheet-metal workers ought to do the work.

Now, what are we going to do about it? After we shall have declared that the sheet-metal workers ought to do the work, and the carpenters get the work from the contractors—that has been practically the case. The laboring men—the building trades department of the federation declared that the work belonged to the sheet-metal workers; the contractors said "the carpenters are going to do it." Will you interpose your judgment and say that the sheet-metal workers are going to do it anyway? And if the organization is going to be disrupted in the effort and get into conflict with employers and our own people, it does not decide anything, Mr. Commissioner. All that we can do is to be helpful in the two parties keeping their differences within reasonable limits, so that they do not fly at each other's throats and claiming the job and going out on strike against each other and to their own and mutual injury and to the injury of the innocent employer. We are applying ourselves to that work.

Commissioner WEINSTOCK. Answering question 7, Mr. Gompers, in your questionnaire which you were dealing with, you stated that you believed that it is a fact that the organization of labor and the advancement of labor conditions have been either retarded or completely blocked in the industries in which large corporations are dominant, and so forth, could you give this commission what

you believe to be the reasons for the retarding and blocking of such labor conditions?

Mr. GOMPERS. There seems to be a natural trend running all through the human race of domination. The workmen for centuries were slaves; and there are some people who have not yet awakened to the fact that we are living in the twentieth century. Industrially they are and we are living in the twentieth century; mentally they are living in the sixteenth. The idea of domination entirely. When unorganized workmen in desperation ask for some consideration at the hands of employers it is regarded as a rebellion—a rebellion which must be crushed out. And the corporations to which you refer have acted upon that notion, and they have to a large degree crushed out the spirit of protest among the employees. In addition, as I have said in my answer, I think, to that or one of the other preceding questions, the Government of the United States has given them almost carte blanche to draw upon the people of all other countries to keep up a channel in which there was a constant flow of workmen coming from these countries time after time, beginning with one class of laborers and then going down in the social scale, worse and worse, to the worst class of laborers and bringing them over here. It is not so much the corporation itself as it is the elements within these establishments that can not—do not seem—to generate companionship, comradeship, group patriotism, and to try and help bear each other's burdens and to relieve each other from wrong. And so long as we shall have this channel open and the peoples from those other countries coming here to fill up whatever gap may be caused by a little discontent or by protest or by people trying to get out and go some other place—so long as these gaps can be filled by this constant stream of immigrant laborers there will be no hope to organize the workers in these plants under the domination of these corporations.

I may say this: I expect within 24 hours to be placed in possession of information of such an authentic character that I hope I may have the opportunity either of personally presenting it to this commission or else to some other representative agency of our Government in regard to immigration. The President of the United States is to-day having a hearing upon the immigration bill as it passed Congress, and it was acting under your summons, as I have to, that my absence was forced and I was unable to be at the hearing which the President has or is now holding at this time upon this subject of immigration. And let me say this, that the shipping companies are to-day in cahoot with these corporations, and under the pretence of liberalism—I want to emphasize that as strongly as I can—under the pretense of liberalism many of these men are suborned by the shipping companies and these corporations to prevent the passage of a fairly comprehensive immigration restriction bill.

Commissioner WEINSTOCK. In passing, touching upon the immigration question as you have just now, if you had supreme power in the matter what would you do with immigration—how would you deal with it?

Mr. GOMPERS. I think that I would limit immigration—restrict it. I don't think I would close the walls, close all our ports; I do not think I would.

A gentleman a few weeks ago discussed with me a proposition which appealed to my judgment, one which was based upon a proposition to permit immigration from all countries upon a basis of a small percentage of those who are already here. I have not given that proposition sufficient thought to warrant the expression of a definite opinion upon it, but that immigration must be restricted and better regulated than it now is no one will dispute. May I just call attention to this fact, Mr. Commissioners?

Now, immigration has fallen off greatly, due to the terrible European war. When that war shall have come to an end the countries now engaged in the conflict will do everything within their power to prevent the strong men, the healthy men, the capable men, from leaving their respective countries. Every obstacle will be put in the way of any one of these men leaving. But this is also true that the countries will do everything they possibly can to encourage the immigration of the weak; of the men whose health has become undermined; who have contracted some malady; who have become enfeebled or weakened; and where can these people go? Not, surely, to each other's countries who have been engaged in the war. The only opportunity for them is to come to the United States or to Canada. And quite apart from the ordinary difficulties and evils of this practically unrestricted immigration that is coming in here, the consequences of the war, when it shall have come to an end, are such and the dangers are such that it behooves us to exercise more than the ordinary

care and precaution to save ourselves from the condition which may overwhelm us and do us great injury.

Commissioner WEINSTOCK. You have pointed out, Mr. Gompers, that where the employer believes himself to be in the saddle his tendency is to become despotic and tyrannic. Now, as you and I know, labor is made out of the same common clay that the employer is made out of, and when labor believes itself to be in the saddle does it not also tend to become despotic and tyrannic?

Mr. GOMPERS. Only a phase of it; that has been a phase. When workmen are unorganized they always look upon themselves as absolutely powerless to secure any change, any redress for any grievance. They regard their employers as almighty, all-powerful. The employers regard their employees as their wards, and, in a way, so far as their judgment goes, they want to be the trustees of these people; but any attempt on the part of the workers to secure of their own volition any change is regarded, as I said before, as a rebellion.

Now, whenever unorganized workmen have reached the state of mind where they are going on a strike or are out on a strike a complete revolution has taken place in their minds. Where before they regarded themselves as entirely impotent and their employers as almighty, the first notion of formerly unorganized, now newly organized, workmen engaged in a strike—in their judgment this transformation has occurred—is that they are all powerful; that the employer is a weakling and has no rights which they are bound to respect. It is the complete reversal of the position, of the mental attitude.

Now, that is true; but when organization is maintained among the working people, and whether the strike has been lost or won, if the organization of the working people is maintained, each has a better respect for the rights and the powers of the other.

Commissioner WEINSTOCK. Returning, Mr. Gompers, to the question that there had been unions which had been unreasonable and unjust in their demands, as has been evidenced by the fact that the national officers at times had taken away charters of unions because they were unreasonable and unjust in their demands.

Now, the question is, if you were an employer how would you protect yourself against unreasonable or unjust unions in their unreasonable demands?

Mr. GOMPERS. If I was an employer, of course, I can not conceive of myself in such a position. But I shall try to—I have urged this upon employers—I would say I believe anything I would advise another to do I would be willing to do myself.

Now, I will try to be in agreement, enter into collective bargaining with my employees as organized entities and preferably when these local unions are part of an international union. In a measure, and to a considerable extent, the international union really underwrites the good faith of the collective bargaining between the employers and associations of employees and the union of employees. I do not want anyone to imagine that even that is going to eliminate all trouble and strife and dissatisfaction. I do not think it will, and I do not think it is desirable either. Sometimes when people show their teeth to each other it tends to the movement of good, red blood.

Commissioner WEINSTOCK. Now, I do not know as I caught your answer, Mr. Gompers. You are an employer and you have entered into an agreement with the union that is affiliated, and that union makes an unreasonable demand and unjust demand, what are you going to do?

Mr. GOMPERS. Mr. Commissioner, I would like in this instance that your question should be concrete rather than general. I do not know whether we agree as to what constitutes unjust demands.

Commissioner WEINSTOCK. Well, let us take the concrete case, then. You were not here the other day when Mr. Belmont was on the witness stand?

Mr. GOMPERS. I was not.

Commissioner WEINSTOCK. He cited a concrete case. I am not familiar with the facts, but I can repeat it as he did. He spoke of a strike that took place on the subway, and his explanation was that there were unreasonable demands made and the company refused to comply, the men went on strike, the international officers investigated the case and demanded that the men return to work. They refused and their charter was taken away. So there you have a concrete case.

Putting yourself in the position of the employer in that case, what would you do?

Mr. GOMPERS. I am familiar with the case you cite, sir. I am in accord with the action of the officers of the international union. The men were misled.

They were misled. No question about it. And not for their own good. I know of no other instance in my career of more than 45 years as a union man where the interests of the working people were fritted away as they were in that case.

Commissioner WEINSTOCK. Was not the case of the Pacific & Electric Co., Mr. Brittain, of San Francisco, a somewhat similar case?

Mr. GOMPERS. No, sir; I spent about seven or eight days in San Francisco last year, and of that fully five days were devoted to conferences with Mr. Brittain, president of the company, and I know that is totally different. Commissioner Lennon was with me a considerable part of the time.

Commissioner WEINSTOCK. Was the charter taken away from the workers at that time?

Mr. GOMPERS. No, sir.

Commissioner WEINSTOCK. It was not?

Mr. GOMPERS. No, sir.

Commissioner WEINSTOCK. I did not know of it. I thought it might have been a similar case.

Mr. GOMPERS. No; it was not.

Chairman WALSH. Commissioner O'Connell has a few questions he would like to ask.

Commissioner O'CONNELL. Mr. Gompers, yesterday one of the large employers whose business is diversified, in mining, railroad, and shipping, employing many thousands of workmen, does not deal with unions or with men as organized, and in answer to question that I asked him as to whether or not workmen would be to-day enjoying the same conditions as to wages, hours, and other things going with employment, if there had been no organization of labor for the past 30 years, and his answer was he believed they would be. What is your opinion of that?

Mr. GOMPERS. He does not know. The fact of the matter is that the conditions of labor are measured better by the hours of toil, daily toil, than by any other standard. To think that the conditions of the working people would have been just as well improved without the organizations reminds me of the fatalist who declared that when he shot a partridge that had crossed the horizon and it fell to the ground with a dull thud, said it was not the shot that killed the bird; the fall would have killed it.

Commissioner O'CONNELL. You think it would not have been possible?

Mr. GOMPERS. Simply impossible. The world has moved by the protests of a few who have gathered others with them and made that protest felt, and the impress upon the minds of their contemporaries. It is not true. It is the organized-labor movement which has compelled employers of unorganized toilers to make conditions nearer to that of the organized, like an army; the people of the country do not all go to war. A certain number of people go to war and fight for the balance. Organized-labor movement is the militant body of workers to secure for all the workers the best possible conditions.

Commissioner O'CONNELL. Now, let me ask you directly, are there any workmen following a given craft, trade or calling, unorganized, that have got the eight-hour day, for instance?

Mr. GOMPERS. I know of none. Perhaps, Mr. Commissioner, an illustration will be more convincing than any other, a concrete case. Take the railroad conductors, the conductors engaged in the service of the railroad companies and the conductors in the service of the Pullman companies. The conductors of the railroad companies' service receive a wage nearly 100 per cent more than that of the conductors in the Pullman service. The hours of labor are normal—there is a great disparity in it; I can not tell you what it is—but the great influence, and dominating influence is that the conductors in the service of the railroad company are organized and the conductors employed by the Pullman Co. are not organized.

Commissioner O'CONNELL. The same gentleman, Mr. Berwind, before us yesterday, said he believed that the employment of people industrially should be taken care of by legislation, and, with one exception, that of regulating wages. In all other cases industrial life should be taken care of by legislation enacted by the whole people rather than the adjustment of their industrial differences between employer and the employee. What is your opinion of that theory?

Mr. GOMPERS. Well, I not only hope that such a day will never come, but I am confident it will never come. There is so much that people want other people to do by law.



Commissioner O'CONNELL. We have heard, Mr. Gompers, from a number of witnesses appearing before this commission of so-called bad unions and so-called good unions. Employers say, who have appeared before our commission, that they would be glad to see men organize in unions if they were good unions. Can you give this commission some idea as to what is a good union or a bad union; what their activities might be in both?

Mr. GOMPERS. From my own standpoint, or the viewpoint of the—

Commissioner O'CONNELL. (interrupting). Your experience as the head of the American Federation of Labor, and your coming in touch with all the unions in this country and abroad, I do not care where you get it, good or bad, tell us what it is?

Mr. GOMPERS. My observation is that I have seen unions which have made mistakes, pursued mistaken policies, but I think that that is one of the human frailties, that we make mistakes, and after all we might say experience is only another name for the mistakes we have made. I do not know what is meant by a bad union.

Commissioner O'CONNELL. Let me see if I can—

Mr. GOMPERS. (interrupting). Bad men may come together, and that does not make a bad union. They may be bad men. Good men would not necessarily make a good union. The question is of union, it is the association and combination to secure improved conditions for the men and women who work, to eliminate child labor—the methods proposed may be all askew and wrong; they may make mistakes, but the good union and bad union I think are misnomers.

Commissioner O'CONNELL. Do I catch the idea—at least it impresses me as such, that a good union would mean men would organize in an organization or association of some kind that would bring them together and they would resolve that they don't want shorter workdays, that they don't want higher wages, that they don't want better conditions, they don't want child labor taken out of the factories, and they don't want to interfere with their employers. Might that not be considered, from the employers standpoint, a good union?

Mr. GOMPERS. Yes; magnificent. I remember—let me see—I don't know exactly and I do not want to make an incorrect statement if I can help it. But it was before the House Committee on the Judiciary when some one was speaking about good unions. Yes; that is their conception, a union like one of those good dogs, he has no teeth. A good union that will come together and sing "My country, 'tis of Thee," and sing psalms and go home and say the employer is a jolly good fellow.

Commissioner O'CONNELL. Now, on this all-important question of jurisdiction. Is not this subject of jurisdiction largely magnified, largely being used as a subterfuge for a reason to not deal with unions?

Mr. GOMPERS. Very often, sir.

Commissioner O'CONNELL. Is not the employer in many, many instances responsible for the jurisdictional disputes?

Mr. GOMPERS. Frequently provokes it.

Commissioner O'CONNELL. In order to get the best of his competitors in business he encourages a jurisdictional dispute if he can't bring the desired result some other way?

Mr. GOMPERS. And exaggerates it, too.

Commissioner O'CONNELL. The labor movement as represented by the American Federation of Labor, in order to avoid jurisdictional disputes where the jurisdiction of work—the kind of work and so on—was concerned has taken place in rapid forms of industry, has succeeded in amalgamating and putting into one organization two contending parties in order that the jurisdictional dispute might entirely disappear?

Mr. GOMPERS. It has done so in several cases.

Commissioner O'CONNELL. A great many cases?

Mr. GOMPERS. Yes.

Commissioner O'CONNELL. And is continuing to do that sort of work?

Mr. GOMPERS. Yes.

Commissioner O'CONNELL. And is continuing to bring the contending parties together wherever the result has not been accomplished?

Mr. GOMPERS. Yes.

Commissioner O'CONNELL. Has not the federation in its convention adopted resolutions with a view of protecting the so-called innocent employer, so far as it could in such limited power as it has, being a federation, by encouraging the organizations that were there is a trade dispute that they shall continue at

work and let the subject matter in contention be submitted to mediation or conciliation or arbitration?

Mr. GOMPERS. Yes, sir; it has.

Commissioner O'CONNELL. To avoid punishing the third party?

Mr. GOMPERS. Yes, sir. As a matter of fact in every convention we have a committee, one committee which we call the committee on adjustment, to which, as a rule, all jurisdictional controversies are referred, and the committee is out of the convention very nearly wholly during the entire time until it is ready to report to the convention, and during that entire time the committee is hearing parties to disputes and endeavoring to effect adjustment, and that frequently adjustment is reached.

Commissioner O'CONNELL. I was just going to say that at the recent convention in Philadelphia a great number of jurisdictional matters were before that committee.

Mr. GOMPERS. Yes, sir.

Commissioner O'CONNELL. And they endeavored to adjust them and did have an agreement without affecting the third party?

Mr. GOMPERS. Yes; in several instances.

Chairman WALSH. Commissioner Ballard would like to ask some questions.

Commissioner BALLARD. Mr. Gompers, in reading that pamphlet from the detective agency of Cleveland, I understood they spoke of sending their detectives into the plants, and I understood you characterized that as wrong and outrageous?

Mr. GOMPERS. Yes.

Commissioner BALLARD. And that same pamphlet, as I understood, spoke of union organizers being also sent by the unions into that plant and without the knowledge of the employer; is that also wrong and outrageous?

Mr. GOMPERS. I don't catch the question.

Commissioner BALLARD. The detective proposed, as I remember, to send their detectives into the plant to find out if there were any agitators or any organizers at work in there, and I understood that you thought that is wrong and outrageous conduct. That pamphlet also, as I remember, spoke of union organizers going into the plant for the purpose of organizing the plant?

Mr. GOMPERS. No; it speaks of the organizers coming to the city.

Commissioner BALLARD. And not going direct to work in the plants?

Mr. GOMPERS. No.

Commissioner BALLARD. You would not consider that correct and proper?

Mr. GOMPERS. I would not say I would not consider that proper, but that is not in the pamphlet.

Commissioner BALLARD. I thought it spoke of that?

Mr. GOMPERS. I have no recollection of that in the pamphlet.

Commissioner BALLARD. And you would not consider it right to send a union organizer to an apparently satisfied plant and let them attempt, without the knowledge of the employer, to organize workmen in that plant?

Mr. GOMPERS. I would not consider that right, the question of these detectives, they as a rule suborn a workman; that is the purpose. They play upon the needs of some poor fellow to betray his fellow in an effort to organize or to secure some improvement in the conditions.

Chairman WALSH. Commissioner Garretson would like to ask a question.

Commissioner GARRETSON. Mr. Gompers, are jurisdictional quarrels between unions any more acute or any more prevalent than exactly similar rivalries between corporations for trade, and are they not, then, parallel for them?

Mr. GOMPERS. I know where there is considerable rivalry, clamoring for trade jurisdiction by the corporation. As to the exact—

Commissioner GARRETSON. For the sale of their product?

Mr. GOMPERS. Yes.

Commissioner GARRETSON. Is it not an evidence of exactly the same human quality in the two classes?

Mr. GOMPERS. Yes; it is true politically, too. We have, oh, for the past 20 years or more, have been clamoring for a greater New York. We have been clamoring for a greater Chicago and a greater St. Louis and a greater Buffalo and a greater Boston and even a greater United States. And then we have taken in—

Commissioner GARRETSON. Take the encroachment of the jurisdictional departments as against the old trade line stores. Is there any difference?

Mr. GOMPERS. Except that that is commercial.

Commissioner GARRETSON. On the question of soldiering, as you spoke of it at one stage of the game, that is the limitation of output. Is soldiering on the part of the laborer anything but a relic of slavery; a slave soldiered on his master because he had no reward?

Mr. GOMPERS. Yes.

Commissioner GARRETSON. Does not soldiering occur in the present day in the exact proportion to the incentive that there is to him to soldier or not to soldier?

Mr. GOMPERS. Yes, sir. The workman of to-day is not only required but actually gives a good hard fair day's work, and in modern industry soldiering is practically impossible. Labor to-day is divided and specialized, and the men are given just one little thing to do over and over and over again, thousands of times a day perhaps. Each one has got to do it in order to keep up with the team, with the great establishment, and if he does not keep up he falls by the way; he has lost his job.

Commissioner GARRETSON. He is one of a train of gears?

Mr. GOMPERS. Yes, sir.

Commissioner GARRETSON. If it were true that the laborer limited output, and it were admitted it was an economical crime to limit output, what is the relative economic crime on the part of the corporation that buys ten plants and closes down three of them to keep up the price of the product?

Mr. GOMPERS. I am afraid I am not a good criminal lawyer.

Commissioner GARRETSON. Economic crimes are committed by lawyers but not passed on by them?

Mr. GOMPERS. It is a subject on which I shall leave my invective for a mass meeting.

Commissioner GARRETSON. Plain English would not cover it.

That is all, Mr. Chairman.

Chairman WALSH. I have been asked to direct a few questions to you. I will say the practice has been that when they are couched in language, inoffensive language, it is necessary for the chairman to read them. I can say, however, that this is quite long and involves quite a discussion and if it occurs to you in the same way, of course, your statement will be accepted. I will read it to you nevertheless. "Is it not true that organized labor is making it difficult for the workmen outside of organizations to find work in their respective callings? Are there not great impediments placed in the way of workmen attempting to enter unions? If this is so, may not the unions be said to represent the interests of organized labor rather than of the working proletariat generally?"

Mr. GOMPERS. Individually, categorically, and generally, I answer in the negative. The fact of the matter is that organizations of labor, the national unions, the international unions, the American Federation of Labor, have a large corps of organizers to appeal to the unorganized. There is not an international union of any trade which I know which has not its organizers out trying to organize the unorganized. Every central body, every central labor union in the cities has its organizing committee, every local federation of labor. We have about 1,600 volunteer organizers, men and women who go about to preach the gospel of mutual assistance and of unity. And we have on the pay roll of the American Federation of Labor 30 or more organizers to whom we pay a fair day's wage and his expenses or her expenses to organize. Of the quarter of a million of dollars approximately received by the American Federation of Labor every year, that comes from the per capita tax, about 8 cents a year for each member of the affiliated organizations, two-thirds of that money is expended for organizing purposes, literature for organizing.

Within this past two days, before I came here, I directed a circular to be sent to the organizers throughout the United States. I have not yet seen it in print, but I very much would like to have the privilege of having a copy of that organizing document in the record. I am perfectly willing I may be judged as a man by the contents of the circular. The American Federation of Labor has conducted a campaign of education among our fellow workers to make it somewhat more easy for every nonunion worker to join, to become a member.

In the union in which I hold my primary membership, we have in the fund in that organization a per capita of not less than \$10, and yet the initiation fee for anyone to become a member is \$3. So long as it will hold out we present in actual possession \$7 to everyone who becomes a member of the organization. That quite apart from the protective features, but the fund is already there.

Chairman WALSH. Isn't the restriction of immigration likely to result in the improvement of the conditions of the American workingmen?

Mr. GOMPERS. Yes, sir.

Chairman WALSH. Is not the interest of labor an international rather than a local one?

Mr. GOMPERS. It is not a local question. The people who talk so glibly of the internationality of the proletariat of the world are themselves clutching at each other's throats. We are plain men, and while we do not want to close the gates of our country to those who may helpfully contribute to the welfare of our country when they come here, we are going to protect ourselves first. While we love our neighbor we do not love him quite as well as we do ourselves.

Chairman WALSH. The next question is, Does the American Federation of Labor, as its name may be taken to indicate, concern itself with the restricted problems of American labor alone and care nothing about the international problem?"

I presume your last answer would cover that?

Mr. GOMPERS. Yes, sir. There is not any wrong committed against any human being anywhere with which the American Federation of Labor does not concern itself.

(See Gompers exhibit.)

Chairman WALSH. We thank you very much, Mr. Gompers. This is our hour for adjournment, and you will be finally excused. Thank you very much.

The commission will now stand adjourned until to-morrow morning at 10 o'clock, in the board of estimates' room, across the hall.

(At 4.40 in the afternoon of this Friday, January 22, 1915, an adjournment was taken until to-morrow, Saturday, January 23, 1915, at 10 o'clock a. m., in the board of estimates' room.)

---

NEW YORK CITY, *January 23, 1915—10 a. m.*

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Harriman, Ballard, Weinstock, Garretson, and Commons.

Chairman WALSH. Mr. Brandeis, you will please take the stand.

#### TESTIMONY OF MR. LOUIS D. BRANDEIS.

Chairman WALSH. Please state your name.

Mr. BRANDEIS. Louis D. Brandeis.

Chairman WALSH. Where is your place of residence?

Mr. BRANDEIS. Boston.

Chairman WALSH. And what is your profession, Mr. Brandeis?

Mr. BRANDEIS. Lawyer.

Chairman WALSH. You have also been engaged in public work, Mr. Brandeis?

Mr. BRANDEIS. Yes; but not in office.

Chairman WALSH. Not in office?

Mr. BRANDEIS. No.

Chairman WALSH. I wish you would please state the general character of the work which you have been doing, so far as it might affect industry.

Mr. BRANDEIS. I have, for quite a number of years, devoted myself, among other things, to a consideration of the industrial—social industrial problems, and especially the relations between employer and employee.

Chairman WALSH. Have you observed the effect of the growth of large corporations on conditions of labor in American industry, and the general industrial relations?

Mr. BRANDEIS. I have endeavored to study that among other things.

Chairman WALSH. Would you kindly state what your observation has been, with respect to the question as to whether or not the high concentration and the growth of these corporations have improved the physical conditions under which workmen are employed, or otherwise.

Mr. BRANDEIS. I think, in many instances, they have improved their physical conditions; that is, large and successful organizations have been able to provide the best-planned and best-equipped factories, and they have, to a very considerable extent, built new factories. And there is, both among large

corporations and the small—or large factories and the small, a clear development of better factory conditions—more light, better ventilation, greater safety; and, in so far as the large corporations have been leaders in various branches of manufacturing and have constructed these new factories, they have undoubtedly improved in that way the physical condition of labor.

Chairman WALSH. Have the large corporations increased the wages as rapidly as the prices of commodities have increased, or shortened working hours as rapidly as the development of the industry would warrant?

Mr. BRANDEIS. It is difficult to answer that comprehensively. I should feel quite certain that in some respects they had not—certain corporations, and very prominent ones, have not increased wages as rapidly as the profits of the organization warranted, nor have they reduced hours. But I think that is true also of many corporations that are small.

Chairman WALSH. Does the corporate type of organization tend to produce a higher grade of workmen and citizens?

Mr. BRANDEIS. I should think not.

Chairman WALSH. Have the large corporations acted as a bulwark to prevent the growth of trade-unions, from your observation, Mr. Brandeis?

Mr. BRANDEIS. Yes.

Chairman WALSH. I wish you would state what information you have, generally, of course, upon which you base that answer.

Mr. BRANDEIS. I think that the large industrial corporations have found this possible. That is true of the trusts and true also of large corporations which are not among those technically known as trusts, but which have powerful financial organizations; for instance, the Steel Trust, the Tobacco Trust, the Sugar Trust. It seems to me that they have possessed the power against which, in the main, the unions—union organizations have struggled in vain. There have been a very large number, undoubtedly, of other employers who were not large, who had exactly the same desires and the same economic views as those who control these great corporations, but they had not the power of resistance, the power of endurance, and the influence and connections, which enabled them to make their will law. It was a difference, not of motive in the main, but of conditions.

Chairman WALSH. Have you observed the extent to which potential control over labor conditions is concentrated in the hands of financial directors of large corporations?

Mr. BRANDEIS. To a certain extent. I think that goes necessarily with the control of the corporations themselves. There has been undoubtedly great financial concentration—direct to a certain extent and indirect to a greater extent, and that influence which came from the concentration in comparatively few hands of a deciding voice in important financial and industrial questions almost necessarily affects the labor problems, as it does other problems, although it may not have been the design primarily to deal with the labor problem.

Chairman WALSH. Have you observed the extent to which this potential control is exercised in connection with labor matters? Do you know of individual instances in which the control is directly used?

Mr. BRANDEIS. Well, the report of the Stanley investigating committee indicated that it had been used quite effectively in the steel trade.

Chairman WALSH. Do such financial directors, in your opinion, Mr. Brandeis, have sufficient knowledge of industrial conditions and social conditions to qualify them to direct labor policies involving hundreds of thousands of men?

Mr. BRANDEIS. I should think most of them did not; but what is perhaps more important or fully as important is the fact that neither these same men nor anybody else can properly deal with these problems without a far more intimate knowledge of the facts than it is possible for men to get who undertake to have a voice in so many different businesses. They are prevented from obtaining an understanding not so much because of their point of view or motive, but because of human limitations. These men have endeavored to cover far more ground than it is possible for men to cover properly and without an intimate knowledge of the facts they can not possibly deal with the problems involved.

Chairman WALSH. Does the fact that many large corporations with thousands of stockholders, among whom are large numbers of employees, in anyway whatever affect the policy of large corporations?

Mr. BRANDEIS. I do not believe that the holding of stock by employees—what is practically almost an insignificant participation, considering their percentage

to the whole body of stockholders in large corporations—improves the condition of labor in those corporations. I think its effect is rather the opposite.

Chairman WALSH. I wish you would elucidate that a little, if you will, please, Mr. Brandeis; state the reasons for it.

Mr. BRANDEIS. Perhaps I would have to go a little further into my general feeling in this respect—

Chairman WALSH. I wish you would do so, Mr. Brandeis.

Mr. BRANDEIS. As to the causes of the difficulty and of the unrest.

Chairman WALSH. I wish you would please do so.

Mr. BRANDEIS. My observation leads me to believe that while there are many contributing causes to unrest, that there is one cause which is fundamental. That is the necessary conflict—the contrast between our political liberty and our industrial absolutism. We are as free politically, perhaps, as free as it is possible for us to be. Every male has his voice and vote; and the law has endeavored to enable, and has succeeded practically, in enabling him to exercise his political franchise without fear. He therefore has his part; and certainly can secure an adequate part in the Government of the country in all of its political relations; that is, in all relations which are determined directly by legislation or governmental administration.

On the other hand, in dealing with industrial problems the position of the ordinary worker is exactly the reverse. The individual employee has no effective voice or vote. And the main objection, as I see it, to the very large corporation is, that it makes possible—and in many cases makes inevitable—the exercise of industrial absolutism. It is not merely the case of the individual worker against employer which, even if he is a reasonably sized employer, presents a serious situation calling for the interposition of a union to protect the individual. But we have the situation of an employer so potent, so well-organized, with such concentrated forces and with such extraordinary powers of reserve and the ability to endure against strikes and other efforts of a union, that the relatively loosely organized masses of even strong unions are unable to cope with the situation. We are dealing here with a question, not of motive, but of condition. Now, the large corporation and the managers of the powerful corporation are probably in large part actuated by motives just the same as an employer of a tenth of their size. Neither of them, as a rule, wishes to have his liberty abridged; but the smaller concern usually comes to the conclusion that it is necessary that it should be, where an important union must be dealt with. But when a great financial power has developed—when there exists these powerful organizations, which can successfully summon forces from all parts of the country, which can afford to use tremendous amounts of money in any conflict to carry out what they deem to be their business principle, and can also afford to suffer large losses—you have necessarily a condition of inequality between the two contending forces. Such contests, though undertaken with the best motives and with strong conviction on the part of the corporate managers that they are seeking what is for the best interests not only of the company but of the community, lead to absolutism. The result, in the cases of these large corporations, may be to develop a benevolent absolutism, but it is an absolutism all the same; and it is that which makes the great corporation so dangerous. There develops within the State a state so powerful that the ordinary social and industrial forces existing are insufficient to cope with it.

I noted, Mr. Chairman, that the question you put to me concerning the employees of these large corporations related to their physical condition. Their mental condition is certainly equally important. Unrest, to my mind, never can be removed—and fortunately never can be removed—by mere improvement of the physical and material condition of the workingman. If it were possible we should run great risk of improving their material condition and reducing their manhood. We must bear in mind all the time that however much we may desire material improvement and must desire it for the comfort of the individual, that the United States is a democracy, and that we must have, above all things, men. It is the development of manhood to which any industrial and social system should be directed. We Americans are committed not only to social justice in the sense of avoiding things which bring suffering and harm, like unjust distribution of wealth; but we are committed primarily to democracy. The social justice for which we are striving is an incident of our democracy, not the main end. It is rather the result of democracy—perhaps its finest expression—but it rests upon democracy, which implies the rule by the people. And therefore the end for which we must strive is the attainment of

rule by the people, and that involves industrial democracy as well as political democracy. That means that the problem of a trade should be not longer the problems of the employer alone. The problems of his business, and it is not the employer's business alone, are the problems of all in it. The union can not shift upon the employer the responsibility for conditions, nor can the employer insist upon determining, according to his will, the conditions which shall exist. The problems which exist are the problems of the trade; they are the problems of employer and employee. Profit sharing, however liberal, can not meet the situation. That would mean merely dividing the profits of business. Such a division may do harm or it might do good, dependent on how it is applied.

There must be a division not only of profits, but a division also of responsibilities. The employees must have the opportunity of participating in the decisions as to what shall be their condition and how the business shall be run. They must learn also in sharing that responsibility that they must bear to the suffering arising from grave mistakes, just as the employer must. But the right to assist in making the decisions, the right of making their own mistakes, if mistakes there must be, is a privilege which should not be denied to labor. We must insist upon labor sharing the responsibilities for the result of the business.

Now, to a certain extent we are gradually getting it—in smaller businesses. The grave objection to the large business is that, almost inevitably, the form of organization, the absentee stockholdings, and its remote directorship prevent participation, ordinarily, of the employees in such management. The executive officials become stewards in charge of the details of the operation of the business, they alone coming into direct relation with labor. Thus we lose that necessary cooperation which naturally flows from contact between employers and employees—and which the American aspirations for democracy demand. It is in the resultant absolutism that you will find the fundamental cause of prevailing unrest; no matter what is done with the superstructure, no matter how it may be improved in one way or the other, unless we eradicate that fundamental difficulty, unrest will not only continue, but, in my opinion, will grow worse.

Chairman WALSH. From your observation, Mr. Brandeis, what would you say is the responsibility of these so-called absentee owners of industries for conditions, wages, and other conditions existing in the corporations in which they are financially interested?

Mr. BRANDEIS. They must be held absolutely responsible. There is no such thing, to my mind, applying it in this connection, as an innocent stockholder. He may be innocent in fact, but socially he can not be held innocent. He accepts the benefits of a system. It is his business and his obligation to see that those who represent him carry out a policy which is consistent with the public welfare. If he fails in that, so far as a stockholder fails in producing a result, that stockholder must be held absolutely responsible, except so far as it shall affirmatively appear that the stockholder endeavored to produce different results and was overridden by a majority. Of course, stockholders may be innocent if they have been active and have been outvoted; but stockholders can not be innocent merely by reason of the fact that they have not personally had anything to do with the decision of questions arising in the conduct of the business. That they have personally selected gentlemen or given their proxies to select gentlemen of high standing in the community, is not sufficient to relieve them from responsibility. As a matter of course, most stockholders do have very little to do with the management and in these great corporations they have practically nothing to do. It is largely the financial interests who determine policies and the practical results. But the stockholder is morally responsible although he actually has nothing to do with the management because he can not justify himself in being a stockholder unless he assumes the obligations which go with stockholdership; and stockholdership is practically partnership in the establishment so far as concerns the questions now under consideration.

Chairman WALSH. You have probably noticed that practical—I was going to say practical unanimity, but that might be putting it a little too strong, the very general and broad statements that are made by directors in these corporations, especially those located in the city here, to the effect that they feel that they discharge their duties when labor policies are left to their local officials or to their executive officers here.

Mr. BRANDEIS. I have not read with any care the reports of what was testified to and that you have reference to.

Chairman WALSH. There are exceptions, but generally that has been the statement; that is, that they leave that to the executive officers.

Mr. BRANDEIS. That position, so far as it may have been taken, seems to me absolutely unsound. It is a position which, I think, must be deemed a relic of those earlier days when the labor problem was not regarded as the prime problem in the industrial world. The obligation of a director must be held to be absolute. Of course, I said a little while ago that one of the grave objections to this situation with large corporations was the directors did not know what was going on, and they could not therefore pass an intelligent judgment on these questions of the relations between employer and employee, because they did not have the facts.

Nobody can form a judgment that is worth having without a fairly detailed and intimate knowledge of the facts, and the circumstances of these gentlemen, largely bankers of importance, with a multitude of different associations and occupations—the fact that those men can not know the facts is conclusive to my mind against a system by which the same men are directors in many different companies. I doubt whether anybody who is himself engaged in any important business has time to be a director in more than one large corporation. If he seeks to know about the affairs of that one corporation as much as he should know, not only in the interest of the stockholders, but in the interest of the community, he will have a field for study that will certainly occupy all the time that he has.

Chairman WALSH. Have you observed, Mr. Brandeis, in the development of these large corporations, the percentage of stock which might give control, or in practical everyday life does give control—what I mean is this: There seems to be an impression in some quarters that the controllers had to have a majority of the stock—51 per cent, for instance.

Mr. BRANDEIS. I think it is true not only of these very large corporations, but of very much smaller corporations in which the stock is listed and widely distributed, that not only a small percentage of the stock may give control, but that for a long series of years control is held sometimes without the ownership of any stock whatsoever, or of practically no more stock than is necessary to qualify directors.

I had a professional experience in connection with one corporation whose capitalization is very small as compared to those to which you refer, Mr. Chairman, but which runs into the millions, where I represented the outside stockholders who wanted to get control. The contest lasted a considerable time. We ultimately got control of the management, and when we examined the books we found that the management had practically sold itself out of all stock years before, and held practically no stock at all; that the president of the corporation had not only sold his stock holdings, but had sold out even his qualifying shares, and had to go to the market the next day and buy five shares of stock in order to qualify as director.

I mean these corporations are not controlled through a majority of the stock; they are controlled very largely by position. And that is an almost inevitable result of the wide distribution of stock.

From the standpoint of the community, the welfare of the community and the welfare of the workers in the company, what is called a democratization in the ownership through the distribution of stock is positively harmful. Such a wide distribution of the stock dissipates altogether the responsibility of stockholders, particularly of those with 5 shares, 10 shares, 15 shares, or 50 shares. They recognize that they have no influence in a corporation of hundreds of millions of dollars capital. Consequently they consider it immaterial whatever they do, or omit to do, the net result is that the men who are in control, it becomes almost impossible to dislodge, unless there should be such a scandal in the corporation as to make it clearly necessary for the people on the outside to combine for self-protection. Probably even that necessity would not be sufficient to ensure a new management. That comes rarely except when those in control withdraw because they have been found guilty of reprehensible practices resulting in financial failure.

The wide distribution of stock, instead of being a blessing, constitutes, to my mind, one of the gravest dangers to the community. It is absentee landlordism of the worst kind. It is more dangerous, far more dangerous than the absentee landlordism from which Ireland suffered. There, at all events, control was centered in a few individuals. By the distribution of nominal control among ten thousand or a hundred thousand stockholders, there is developed a sense of absolute irresponsibility on the part of the person who holds that stock. The



few men that are in position continue absolute control without any responsibility except that to their stockholders of continuing and possibly increasing the dividends.

Now, that responsibility, while proper enough in a way, may lead to action directly contrary to the public interest.

Chairman WALSH. For the purpose of illustration, take a corporation such as the Steel Corporation and explain what you mean by the democratization of industry, and to apply it to a concrete corporation, take that one.

Mr. BRANDEIS. I think the difficulty of applying it to that corporation, I mean a corporation as large as that and as powerful as that, is this: The unit is so large that it is almost inconceivable that the men in control can be made to realize the necessity of yielding a part of their power to the employee.

Now, when they resist a particular labor policy, for instance, the unionization of shops, and they do resist it violently, most of the officials do so in absolute good faith, convinced that they are doing what they ought to do. They have in mind the excesses of labor unions and their obligations to stockholders to protect the property; and having those things in mind and exaggerating, no doubt, the dangers of the situation, they conclude that they can not properly submit to so-called union demands. They are apt to believe that it is "un-American" to do so—and declare it to be contrary to our conceptions of liberty and the rest. And they believe they are generally sincere in their statements.

The possession of almost absolute power makes them believe this. It is exactly the same condition that presents itself often in the political world.

No doubt the Emperor of Russia means just as well toward each of his subjects as most rulers of a constitutional government or the executives of a Republic. But he is subject to a state of mind that he can not overcome. The fact that he possesses the power and that he is the final judge of what is right or wrong prevents his seeing clearly and doing that which is necessary to give real liberty and freedom.

It is almost inconceivable to my mind that a corporation with powers so concentrated as the Steel Corporation could get to a point where it would be willing to treat with the employees on equal terms. And unless they treat on equal terms then there is no such thing as democratization. The treatment on equal terms with them involves not merely the making of a contract; it must develop into a continuing relation. The making of a contract with a union is a long step. It is collective bargaining—a great advance. But it is only the first step. In order that collective bargaining should result in industrial democracy it must go further and create practically an industrial government—a relation between employer and employee where the problems as they arise from day to day, or from month to month, or from year to year, may come up for consideration and solution as they come up in our political government.

In that way conditions are created best adapted to securing proper consideration of any question arising. The representative of each party is heard—and strives to advance the interest he represents. It is the conflict of these opposing forces which produces the contract ultimately. But to adequately solve the trade problems there must be some machinery which will deal with these problems as they arise from day to day. You must create something akin to a government of the trade before you reach a real approach to democratization. You must create a relation of employer to employee similar to that which exists in the trade under the protocol with the preferential union shop.

Chairman WALSH. Past experience indicates that large corporations can be trusted to bring about these reforms themselves?

Mr. BRANDEIS. I think all of our human experience shows that no one with absolute power can be trusted to give it up even in part. That has been the experience with political absolutism; it must prove the same with industrial absolutism. Industrial democracy will not come by gift. It has got to be won by those who desire it. And if the situation is such that a voluntary organization like a labor union is powerless to bring about the democratization of a business, I think we have in this fact some proof that the employing organization is larger than is consistent with the public interest. I mean by larger, is more powerful, has a financial influence too great to be useful to the State; and the State must in some way come to the aid of the workmen if democratization is to be secured.

Chairman WALSH. Are the workmen employed by large corporations in a position to work out their own salvation by trade-union organization to-day?

Mr. BRANDEIS. I think our experience, taking the steel trade as an example, has certainly shown that they are not. And this is true also of many other lines of business. Even in case of corporations very much smaller than the Steel Corporation, where the unions have found it impossible to maintain their position against the highly centralized, well-managed, highly financed company. Such corporations as a means of overcoming union influence and democratization frequently grant their employees more in wages and comforts than the union standard demands. But "man can not live by bread alone." Men must have industrial liberty as well as good wages.

Chairman WALSH. Do you believe that the existing State and Federal legislation is adequately and properly drawn to provide against abuses in industry, so far as the employees are concerned?

Mr. BRANDEIS. I have grave doubt as to how much can be accomplished by legislation, unless it be to set a limit upon the size of corporate units. I believe in dealing with this labor problem as in dealing with the problem of credit. We must meet this question.

Chairman WALSH. Of what? Excuse me.

Mr. BRANDEIS. Size. And in dealing with the problem of industrial democracy there underlies all of the difficulties the question of the concentration of power. This factor so important in connection with the subject of credit and in connection with the subject of trusts and monopolies is no less important in treating the labor problem. As long as there is such concentration of power no effort of the workmen to secure democratization will be effective. The statement that size is not a crime is entirely correct when you speak of it from the point of motive. But size may become such a danger in its results to the community that the community may have to set limits. A large part of our protective legislation consists of prohibiting things which we find are dangerous, according to common experience. Concentration of power has been shown to be dangerous in a democracy, even though that power may be used beneficially. For instance, on our public highways we put a limit on the size of an autotruck, no matter how well it is run. It may have the most skillful and considerate driver, but its mere size may make it something which the community can not tolerate, in view of the other uses of the highway and the danger inherent in its occupation to so large an extent by a single vehicle.

Chairman WALSH. Commissioner Lennon has a few questions he would like to ask.

Commissioner LENNON. Mr. Brandeis, in speaking with regard to the physical betterment that has come about in some instances in these great industries, did you mean to indicate that these physical betterments were not something of an element toward progress, toward democratic manhood?

Mr. BRANDEIS. I think they contribute a very material amount, provided they do not result in a bribe to forego that which is more important.

Commissioner LENNON. Now, to apply it to the work that the unions have done for physical betterment, increase of wages and limitation of the hours and the elimination of children like in the coal industry.

Mr. BRANDEIS. Oh, I think those are all positive gains, unqualified gains.

Commissioner LENNON. Gains for manhood?

Mr. BRANDEIS. They are all gains for manhood; and we recognize that manhood is what we are striving for in America. We are striving for democracy; we are striving for the development of men. It is absolutely essential in order that men may develop that they be properly fed and properly housed, and that they have proper opportunities of education and recreation. We can not reach our goal without those things. But we may have all those things and have a nation of slaves.

Commissioner LENNON. Now, in speaking of the exercise of power by those that acquire it through any means, what is your view as to the exercise of power in foundations, like the Rockefeller Foundation and the Russell Sage Foundation—the possibility of that power being applied not for the welfare of humanity, but whether or not there will be difficulties likely for the people to overcome the exercise of that power some time in the future.

Mr. BRANDEIS. I have never given that subject very close study, and I have never questioned any way that those foundations arose from the highest motives. So far as I have known anything about them, they express a desire, a

zealous purpose to aid humanity. But I have such faith in democracy and such a distrust of the absence of it that I have felt a grave apprehension at times as to what might ultimately be the effect of these foundations when the control shall have passed out of the hands of those who at present are administering them to those who may not be governed by the excellent intent of the creators.

Commissioner LENNON. That is, the creation of such institutions does bring into being a great power that is possible of application not for the good of humanity but sometimes under different directions?

Mr. BRANDEIS. It is. I mean it is creating the power and we do not know into what hands it ultimately may get and how it may be used. And I think there is this also in regard to it. It seems to me on the whole inconsistent with our democratic aspirations. I have, and I think many must have, a grave apprehension as to some of the great educational endowments of the so-called private universities in contrast with the State universities. I think we are fortunate in having in this country both the one and the other; and that other foundations, if they are not too large, may be very beneficial; provided always that there are other forces in governmental agencies which can counteract them. Still I can not help feeling a certain apprehension as to later results of these foundations.

Chairman WALSH. Commissioner Weinstock has some questions he would like to ask.

Commissioner WEINSTOCK. The question, Mr. Brandeis, has been put to various witnesses that have come before us, as to what, in their opinion, was the prime remedy for industrial unrest, and different witnesses have offered different remedies. One has suggested that the prime remedy in modern industry is scientific management with a bonus system; another has suggested arbitration; still another, mediation and conciliation; yet another, profit sharing; another has expressed the opinion that the remedy lies along the line of legal minimum wage. I take it your prime remedy for industrial unrest, from what you have said this morning, is a condition of industrial democracy?

Mr. BRANDEIS. That is fundamental, and I should adopt each one of these five remedies that you have named also as in incident, as an aid.

Commissioner WEINSTOCK. As subsidiary?

Mr. BRANDEIS. Yes; as subsidiary.

Commissioner WEINSTOCK. But the prime remedy, in your opinion, is industrial democracy?

Mr. BRANDEIS. Yes.

Commissioner WEINSTOCK. That is the first, the essential?

Mr. BRANDEIS. Yes; it is not only a prime remedy, but absolutely essential.

Commissioner WEINSTOCK. Will you tell us, please, Mr. Brandeis, whether your opinion is that this industrial democracy should be voluntary or compulsory?

Mr. BRANDEIS. I do not believe it can be made compulsory at the present time.

Commissioner WEINSTOCK. Let us be sure, please, that we understand alike the meaning of industrial democracy. I understand by industrial democracy a condition whereby the worker has a voice in the management of the industry—a voice in its affairs. Do we agree on that?

Mr. BRANDEIS. Yes, sir; and not only a voice but a vote; not merely a right to be heard, but a position through which labor may participate in management.

Commissioner WEINSTOCK. Has a right of action in regard to its affairs?

Mr. BRANDEIS. Yes; the power contributing to action—of participating in action.

Commissioner WEINSTOCK. Returning, then, to the question as to whether you would make that voluntary or compulsory, what do you say?

Mr. BRANDEIS. I think that certainly for the present it should be made voluntary, and the great work now is the work of education. I referred a few moments ago to a protocol in the garment trade, and I think the accomplishment in that trade—in the cloak, suit, and skirt trade—to my mind, the most promising indications in the American industrial world.

Commissioner WEINSTOCK. To what degree, in the garment industry, as conducted in New York, does labor have a voice?

Mr. BRANDEIS. Labor has a voice in this way: The protocol which was adopted on September 2, 1910, did this: In the first place it removed certain known grievances—long hours and a number of other grievances incident to the ordinary conduct of business which were then specified, and, among other things,

the removal of insanitary conditions. Such results are accomplished by many agreements between the union and employers. But it went very much further. It created a system of government for employers on the one hand and employees on the other hand. In many agreements between employers and unions you find a provision for a grievance committee, but such committees are only for occasional use. The protocol establishes a government with administrative officers, courts, and a legislature always ready to take up questions arising in the trade.

Commissioner WEINSTOCK. You mean it is a continuous performance?

Mr. BRANDEIS. It is absolutely as continuous as our political Government. They have a well-equipped office on both sides. There are hundreds of manufacturers operating under the cloak, suit, and skirt protocol—the oldest one of the existing protocols—and perhaps 22,000 or 30,000 workers directly employed in about 500 shops.

The questions arising there, in view of the character of the industry, are very numerous, and the officials of the union on the one hand and of the employers on the other hand are constantly passing upon these questions.

The regular paid officers, like administrators in the city or State government, act from day to day and many times a day on questions presented. But besides there come up from time to time questions more serious and far-reaching, similar to questions submitted to our courts. And there come up other questions, like those we have to submit to our legislatures. These representatives of employers and employees come together to determine the problems of the trade in precisely the same way that members of the legislatures and the judges of the courts come together to decide the matters for the Nation or of the State or of the city. It is participation in the decision of such questions arising between employer and employee which brings those men constantly into relation with each other.

Some of these questions are very difficult questions; they are questions which call for the inventive faculties, questions which involve experiments, questions which compel deep thinking. But the representatives of employer and employee called together to solve those questions have come to realize that the problems which arise are problems of the trade and not problems of one side or the other of a controversy; that no satisfactory solution can be reached by shifting the responsibility and getting rid of the question by throwing the burden on to the other side, saying, "The fault is yours; solve the problem." Most of the members of this industrial government have come to recognize that conscious fault or wrongdoing on either side is rather uncommon.

Their board of arbitration, of which I have acted as chairman, is not an arbitration board acting like one settling a strike. It is comparable rather to the highest court of appeal on judicial questions and occasionally Congress on legislative questions.

Early in the history of the protocol there was often the claim that one side or the other was at fault; there was mutual recrimination, such as is constantly occurring in controversies between employer and employee. Now the attitude is just the opposite.

At one of the most heated hearings last year one of the employers came to me, who had been very bitter in the earlier days and said, "We can not do this thing that the union wants; but if I were the union representative, I should ask for the same thing." Now, that is the way they approach the problems, each side recognizing that the other person has rights. And when there is a conflict, it is seen that usually this presents a condition to be remedied; that it is the joint obligation of both sides to remedy it; that they must get together and work out the problem if the difficulty is to be removed. They recognize that it is the business of both sides.

Commissioner WEINSTOCK. I take it that in this particular industry, there is an earnest and sincere effort on both sides to find equity?

Mr. BRANDEIS. It is not merely to find equity—that is one thing. I think as a rule we have gotten past the point, except in the heat of individual questions that come up—but usually both sides desire equity. They have reached now a desire to solve industrial problems, and the recognition that the problems of the employer can not be solved by shifting them onto the employee, and that the problems of the employee can not be solved by shifting them onto the employer; that some way must be found to arrive at the cause of the difficulty, to remove that cause, and relieve the trade, as a whole, from the crushing burden. That is a hopeful attitude, and it is the only attitude that can lead to the solution of these industrial difficulties.

Commissioner WEINSTOCK. How many of these suggested remedies are embodied in the conditions that prevail in the garment industry of New York—scientific management with bonus, is that a part of it?

Mr. BRANDEIS. I think it has a recognition. I think they recognize, as I believe all intelligent and enlightened thinkers will recognize, that the only way to permanently and appreciably better the condition of labor, is to increase productivity and to eliminate the waste. That is what scientific management is. It means merely getting more with less effort. It means stopping all waste effort either in the exertion of the individuals or in goods. Just how you are going to apply the principle is a matter of detail. It is most important that it shall be applied democratically. It can not be successfully applied otherwise in the long run; that is, both employer and employee must come to recognize the fact that the elimination of waste is beneficial to both sides and that they must cooperate to produce the best results and the most effective methods of production. That condition is recognized under the agreement of the protocol referred to, not by express declaration in the protocol, but by the action and attitude of the leaders.

Commissioner WEINSTOCK. Before I put my next question I want to preface it by asking another question to lay the foundation. You and I have heard a great deal about overproduction and underconsumption. Now, as an economic student do you believe there is such a thing as overproduction, or is it because of underconsumption?

Mr. BRANDEIS. I think it is underconsumption, or maladjustment in distribution. I think it is entirely true that at a given time you may have produced an amount that the market can not take. You may disarrange conditions or produce an article which the market does not want. But we have not the power to produce more than there is a potential desire to consume.

Commissioner WEINSTOCK. In other words, so long as there are hungry mouths and naked bodies in the world there can not be overproduction?

Mr. BRANDEIS. Not only hungry mouths and naked bodies, but there are many other things that people want.

Commissioner WEINSTOCK. Well, then, if we are laboring under a condition of underconsumption rather than of overproduction, is it or is it not wise to minimize production?

Mr. BRANDEIS. I believe it is one of the greatest economic errors to put any limitation upon production. If we took all the property there is in the country to-day and distributed it equally among the people of the country, we should not improve conditions materially. The only way in which we can bring that improvement in the condition of the workers which Mr. Lennon referred to, and in which I heartily agree, is to make not only the worker but all the people produce more so that there will be more to divide.

Commissioner WEINSTOCK. Exactly.

Mr. BRANDEIS. Then to see to it that the division is a fair division.

Commissioner WEINSTOCK. Exactly.

Mr. BRANDEIS. And I have felt in connection with scientific management, with the introduction of that method of producing more, that we ought to make up for the opportunity we lost when we changed from hand labor to machine labor. I think it is perfectly clear that when that change was made the employer got more than he ought to have got; and labor did not get its share, because labor was not organized. Now, when labor is to a very considerable extent organized, labor ought to insist upon scientific management. It has a just cause of complaint if a business is not well managed. Then, when the proceeds of good management are secured, labor ought to insist upon getting its share; and, as I have said, I think its share ought to be large, because of the reason that when machines were introduced labor did not get its share.

Commissioner WEINSTOCK. Well, then, assuming Mr. Brandeis, that our machinery for distribution was perfected so that everything that we produced reached the parties that needed it, and it was placed within his power to buy—assuming that, then the more that was produced under those circumstances, the more there would be to divide between employer and worker. Is that not right?

Mr. BRANDEIS. I think that is; yes.

Commissioner WEINSTOCK. Well, then, if I, as your fellow worker, should advocate or advise you to minimize your output, would I be your friend or your enemy?

Mr. BRANDEIS. A condition might well arise where it might be to my individual benefit to restrict production, but the benefit to labor as a whole would be immensely advanced by increasing production. We ought to develop en-

lightened unselfishness, as a substitute for the old, so-called, enlightened selfishness; and enlightened unselfishness would give us all a great deal more than we have.

Commissioner WEINSTOCK. And while it is undisputed, and would be, I think, that organized labor officially has never advocated a diminished output, yet the general opinion is that unofficially many branches of organized labor look with favor upon a diminished output. Do you regard that as a wise or unwise thing?

Mr. BRANDEIS. Unwise. I think it is due probably to two causes. In the first place it has an historical cause. Workingmen have known that in a great many instances employers encouraged an increased output, particularly when business was depressed, and then when earnings grew large they cut the rate of pay. In that way increased profits have resulted not necessarily in a decrease of pay, but not in a corresponding increase in the wages of the worker. That was unfair. The employees were thus cheated in a great many cases by individual employers; and in many minds has arisen the belief that labor will not gain by increased production. That this is going to be perhaps it. Now, that is the historical cause. It is merely an instance showing how the wrongful act of each person is injuring an immense number of other persons, how one employer has the capacity to injure a thousand employees.

Commissioner WEINSTOCK. I see.

Mr. BRANDEIS. That is one thing.

The other thing is, I think, uneconomic thinking. Many labor leaders have regarded demand as static, as something fixed. They have therefore assumed that if there is a hundred per cent to divide, it will last longer if we each do less, and it will go further. That I believe to be absolutely unsound, as shown by experience. There is no fixed demand. Demand is capable of almost any degree of expansion. It is partly this unfortunate lack of confidence in employers, as a whole, and partly a failure to recognize the results of economic experience to which the tendency of many labor leaders to restrict production by the individual worker is due.

Commissioner WEINSTOCK. Well, now, Mr. Brandeis, you, in your position, are not an employer nor are you a wage earner. You have been an economic student.

Mr. BRANDEIS. Yes; and to a great extent an adviser both of employers and of wage earners.

Commissioner WEINSTOCK. Exactly. Now, for the information of the commission, will you be good enough to point out, Mr. Brandeis, what you have observed to be the mistakes of employers in dealing with labor. Will you brief them?

Mr. BRANDEIS. I think the main mistake that the employers have made has been a failure to acquire understanding of the conditions and facts concerning labor. There has been ignorance in this respect on the part of employers—ignorance due in large part to lack of imagination. Employers have not been able to think themselves into the labor position. They do not understand labor and many successful business men have never recognized that labor presents the most important problem in the business. One of the ablest business men I ever came in contact with, and who later made some very important advances in dealing with labor problems, said to me when I first had occasion to discuss a pressing labor problem with him "I want to take up the labor question when I get around to it." He had been proceeding for years with a reorganization of his business in all other respects—in respect to distribution, in respect to financing and factory organization—but he postponed taking up the labor question until he should be through with all the other problems. Now, he was a man who looked upon business as applied science—as something to be thought out. His was a master mind; he was also a man of splendid heart and character in every way. But he had held the traditions generally prevailing that labor was something you could leave to the superintendents of your factories. He held an attitude similar to that which the chairman called attention to as being the attitude of directors who had testified here. Instead of recognizing that in most businesses the labor problem is the most important one, even from the business standpoint; that if you solve that satisfactorily all other problems are comparatively simple, it had seemed to him one that could be left to a subordinate. The fact that this man, whose record as a business man is very high, both in character and ability, was putting off the labor question until he got through with all the others, shows why labor has been so often misunderstood by employers.

The other cause of employers' difficulties is a failure to think clearly. The employers' refusal to deal with a union is ordinarily due to erroneous reasoning or false sentiment. The man who refuses to deal with the union acts ordinarily from a good motive. He is impressed with "union dictation." He is apt to think "this is my business and the American has the right of liberty of contract." He honestly believes that he is standing up for a high principle and is willing often to run the risk of having his business ruined rather than abandon that principle. They have not thought out clearly enough that liberty means exercising one's rights consistently with a like exercise of rights by other people; that liberty is distinguished from license in that it is subject to certain restrictions, and that no one can expect to secure liberty in the sense in which we recognize it in America without having his rights curtailed in those respects in which it is necessary to limit them in the general public interest. The failure of many employers to recognize these simple truths is a potent reason why employers have not been willing to deal with unions. I think our employers, as a rule, are kind hearted; they mean to do right; they mean to be just; and there is no difference between the men who have fought the hardest against labor unions and those who have yielded to and dealt with labor unions in that respect, except that the former have not had that education which comes from actual active cooperation with unions in the solution of these problems.

I had my first practical experience in dealing with labor problems while acting for manufacturers in the effort to settle or prevent strikes. I found if I wanted to bring about a settlement it was absolutely necessary that the head of the business be brought into the conference. If the employer was a large corporation, nothing less than the president would do, and on the other hand we required the president of the international union to deal with the man in real authority. My effort was to bring these two men together and make each understand the problems of the other. And when I could bring that about, when I could make the union understand the employers' problem and the employer the union's problem, a settlement was almost certain. The next step was to make the individual employee feel that whatever the system of dealing, either through superintendents or otherwise, that there was no individual in that employ who was so insignificant but that if he believed a wrong was done him, he could, in the last analysis, appeal to the highest official of the corporation. When once that principle was established the danger of a rupture between employer and employee was usually passed. The labor men felt faith; they felt that they could deal with the employer in full confidence; and under those circumstances I found that the laboring man would accept the definite statement of the corporation as to what they could afford to pay and what they could not afford to pay. I offered the union representative the opportunity of going through the employer's books; offered them every facility to learn the actual facts and requested their suggestions. They withdrew manfully from the opposition, for they were convinced they were being dealt with fairly, and that the rights of each individual laboring man were recognized as important as those of the biggest official. The corporation operated many factories, but the president was not burdened with numerous appeals. The fact that he recognized that there was nothing more important than the rights of the individual laboring man to human treatment was all the assurance needed.

Commissioner WEINSTOCK. You feel, then, Mr. Brandeis, that one mistake that employers have made is not putting themselves in the other fellow's place?

Mr. BRANDEIS. Yes; in not putting themselves in the other fellow's place is one thing, and not recognizing that in order to put themselves in the other fellow's place they must come into actual contact with him. Now, one of the great things that has been accomplished in the garment trade through this protocol is, that the employers have sat down with the laboring men again and again to deal with individual problems, and these men, no matter how much they differ—and they differ very radically and with the greatest of intensity—have the greatest respect for one another. They have the same respect for one another which opposing lawyers have for each other. Their conflict does not create enmity. The men though contending for exactly the opposite results become friends.

Commissioner WEINSTOCK. Are there any mistakes that employers have made that you care to touch upon?

Mr. BRANDEIS. Well, I think that embodies the principal mistakes. Now, the other thing, which I think is involved in what I have said, is the tendency to deduce a wrong motive from what appears to be a wrong result. In things economic and social, wrong results do not proceed to any very great extent from wrong motives. The motives are, in the main, right, meaning by "motives," intent. But the results sought are very often wrong. People fail to recognize true values. It is failure to recognize things at their real worth which leads to unfortunate results.

Commissioner WEINSTOCK. On the other hand, Mr. Brandeis, what are the mistakes of organized labor, as you see them?

Mr. BRANDEIS. Well, in many ways they are similar—they are the correlative of the mistakes of the employers.

I think in the first place the commonest mistake is a belief that the employer is earning a tremendous amount of money at the expense of labor. Taking all things into consideration, the employer rarely earns "a tremendous amount of money." He earns in a great many cases far less than is proper for the industry. The margins of earnings in most business is less than it should be—less than is required for safety. The workmen are mostly unfamiliar with large figures and are misled by them. They do not readily understand percentages, and they do not consider the risk that is involved. Very few workmen appreciate how necessary it is that there should sometimes be large profits in order to set off the losses. Few people care to advertise their losses, but the profits are advertised freely, and very often are exaggerated.

Now, what the employer needs most is to have proper representatives of labor understand the problems of his business; how serious they are, how great is the chance of losing money, how relatively small is the chance of making large profits, and how great is the percentage of failures. Put a competent representative of labor on your board of directors; make him grapple with the problems whether to do or not to do a specific thing, and undertake to balance the advantages and disadvantages presented, and he will get a realizing sense of how difficult it is to operate a business successfully and what the dangers are of the destruction of the capital in the business. A few years ago, when union leaders were demanding from my client an increase in wages, and I asked them: "How much do you think the employer ought to earn before he increases your wages?" they named a figure which was far above his actual earnings, and I said to them, "Gentlemen, the books are open. If you can find either that more is being earned, or can show any way in which the employer can earn more than he is earning, the balance shall go to you." That put the responsibilities upon the labor leaders; they came to realize the difficulties under which the employer was laboring and acquiesced in the situation. The second cause of discord is the natural distrust felt by labor due largely to their lack of knowledge and of opportunities for knowledge.

The third cause is the sense of being subject to the power of the employer. That feeling of subjection can not be removed without changing the conditions under which industry is being carried on. Perhaps the greatest of labor's mistakes is the practice, in many trades or communities, of restricting production. That is a very serious difficulty. Nothing would do so much to win the employer to collective bargaining as action on the part of the labor leaders favoring increased production. If employers could be satisfied that unionism meant increased production and better discipline and that the unions were striving for that result, a large part of the apprehension of employers would be removed and collective bargaining would be wisely extended.

Both labor and employers should bear constantly in mind that each is his brother's keeper; that every employer is injured by any single employer who does labor a wrong; and that every laboring man and every union is injured by every individual unionist who does an employer a wrong. The influence of a single wrongful act by one who can be classified, is tremendous. It affects every other member of the class. When an employer acts improperly toward his employees, it is the business of other employers to see that such conduct is prevented, for his wrong will injure them. And in the same way any lack of fairness and any act of lawlessness on the part of labor is certain to injure other workers and the unions as a whole, and the individual members of labor unions with employers.

Chairman WEINSTOCK. Am I right in assuming, Mr. Brandeis, that if you were a wage earner, you would be a unionist?



Mr. BRANDEIS. Decidedly.

Commissioner WEINSTOCK. Now, as a wage earner and a unionist, who has abiding at heart the welfare of your fellow workers, what would be your preachment to them?

Mr. BRANDEIS. My first one would be to endeavor to make union men, in their accomplishment and in their conduct, superior to nonunion men, so that a man would want a unionist in his employ as against a nonunion man. It is to raise the effectiveness and the morale and to make every member of a union realize he is a traitor to the cause if he does not do the best that is in his power.

Commissioner WEINSTOCK. What would be your preachment to your fellows on the questions of violence in—

Mr. BRANDEIS (interrupting). Oh, of course, absolutely it must be avoided, because such acts ruin the reputation of labor unions.

Commissioner WEINSTOCK. What would you have the unions do to its members who committed violence in labor troubles?

Mr. BRANDEIS. I think they ought to discipline them in the most serious way, and that, instead of protecting them where they have been in the wrong, they should be the first to apply corrective measures.

Commissioner WEINSTOCK. Do you know of any greater enemies to unionism outside of the unions than the unionist lawbreaker?

Mr. BRANDEIS. No; he furnishes the most potent weapon to those fighting the unions.

Commissioner WEINSTOCK. You mean that he puts a weapon into the hands of the community—

Mr. BRANDEIS (interrupting). He does—he puts it there.

Commissioner WEINSTOCK. If you were an employer, on the other hand, Mr. Brandeis, and had to deal with an unreasonable union, a union which would come to you and threaten that unless you acceded to certain demands that you knew were unfair and unreasonable, they would strike, what would you do?

Mr. BRANDEIS. If it was clear that they were unfair and unreasonable, I think the only thing to do is to resist, either on the part of the union or on the part of the employer ultimately, unless there is some way of settling this by arbitration; and I believe it should not be an arbitration specially created for the purpose, but it should be an existing government, as I have described in the case of the protocol. It seems to me, then, in the absence of such machinery, the only thing to do, if you are sure you are right, or, rather, if you are sure that the other person is wrong, is to resist to the end. That is the only thing you can do, unless you have created a government which is the substitute for force. Valuable as mediation has been, valuable as are the offices of the public officials in trying to bring people together when there is a difficulty, such arbitration usually involves substituting for the decision of the parties who know something, the decision of somebody else who knows practically nothing.

But if you have a continuing government in which these questions are being taken up from day to day and grievances are averted rather than settled, the representatives of employer and employee learn to respect each other's intelligence as well as each other's motives. There are very few difficulties which can not be adjusted by a careful discussion of the facts. But then the parties should come before their tribunal not with demands, but with requests. Demand should be resisted. Requests should be carefully considered; and upon proper consideration and the development of relevant facts a satisfactory solution is apt to be found.

During a long period in which I undertook to adjust matters between employers and employees, although the agreements contained provision for arbitration, the problems were settled through investigation and discussion and not by arbitration. Usually the facts were found to be something different from that which either party had supposed them to be.

Commissioner WEINSTOCK. That is all, Mr. Chairman.

Chairman WALSH. Commissioner O'Connell would like to ask you a question.

Commissioner O'CONNELL. This question of the union being—taking up the punishment of members for alleged violation of law, and that sort of thing, I suppose what you have said in that regard applies just the same to the employer?

Mr. BRANDEIS. Absolutely; absolutely.

Commissioner O'CONNELL. And that there is no more lawbreaking on one side than the other?

Mr. BRANDEIS. I have no question but that there is equality in that respect. Commissioner O'CONNELL. Mr. Brandeis, we have had before our commission on a number of occasions during our sitting here so far, large captains of industry connected with large corporations who speak of their belief that men have the right to organize and should organize, but they do not want to recognize them as an organization. They speak of being willing to do so if they were a good organization. Now, in your experience with a large number of employers and employees, and the adjustments with which you have been associated you have probably heard the expression or heard it said that there were good and bad unions. Could you give this commission some idea of what is meant by a good union?

Mr. BRANDEIS. Well, I don't think very much of the distinction between a good and a bad union, that there is anything very clear there. There are good and bad corporations and good and bad unions and good and bad individuals. I think we have got to deal with all of them; but how we deal with them will depend very much on the character of the individual.

There are unions, as there are corporations, where the only way you can deal with them is to deal with them by war until they are properly managed; but to recognize them is something you ought to do anyhow; that is, the idea that you won't recognize them, the idea that you won't talk with them, the idea that you won't communicate with them seems to me to be entirely erroneous. They are there, and you must recognize them reasonably. You are doing a perfectly foolish thing if you do not recognize them. But if they do not behave properly, do not behave decently in the ordinary relations of men, the only thing to do, in the absence of some tribunal or some government which will make them behave properly through its power, is to recognize them as belligerents instead of recognizing them as friends and allies and associates.

Commissioner O'CONNELL. Various employers give various reasons for their refusal to treat with organized labor or their employees jointly, preferring to treat in the open field, as they say, with the individual worker, thus not interfering with a man's American rights, citizenship, and so on. And among the things that they assign as reasons for not wanting to deal with organized labor is that it is unincorporated. Do you think that is a justifiable reason?

Mr. BRANDEIS. Oh, I think not. I think there is nothing whatever to that. In fact, if labor is to incorporate, I suppose it would be rather for its own protection than the protection of the other side, that it would be necessary.

Commissioner O'CONNELL. Be rather in a corporate form where it would be placing itself in a position to be constantly dragged before the courts and justices of the peace and mulcted and so on?

Mr. BRANDEIS. I have thought myself that labor's apprehension of incorporation was largely unfounded; but I see no reason whatever why an employer should say, "We won't deal with you because you are not incorporated"; that is, there seems to me to be no reason in the world why an employer should say it. On the other hand, I have thought that many of the reasons given by labor unions for not incorporating were not sound reasons. I think it is really a question of no very great importance. And the main reason that I would suggest to labor, or might suggest, why they should incorporate would be to remove this more or less groundless idea on the part of employers that there was something in incorporation which would put a union on an equality with the corporation itself. I don't believe there is anything in it of any intrinsic importance, however.

Commissioner O'CONNELL. Do you believe the officials of the organizations of labor should have the power and authority vested in them by their members so as to speak for them and bind them the same as the president of a corporation should or has?

Mr. BRANDEIS. Well, I think it very important—of course, that differs with different questions. The union is a democratic organization and it differs from the corporation in respect to the fact that in a corporation it is money that votes; that is, a man with 50,000 shares has more voice than the man with one share—legally. I think it is important that the officers should, so far as possible, be vested with a discretion, because I think in important matters it is essential that they should have that discretion in order to get the best possible terms when they are negotiating. But we have got to recognize that a union is a democracy, and therefore the officials should in some form have the confirmation of the members of the union of what they are doing so far as possible.

Commissioner O'CONNELL. You believe the organization of the wage workers in their unions, be they good or bad or indifferent, have been of some service in improving their opportunities in life.

Mr. BRANDEIS. Oh, of very great service.

Commissioner O'CONNELL. One of the largest employers heard before the commission here in answer to a question said that he believed that conditions would be as good, and industrial benefits to workingmen, as they are, if there had not been organization at all.

Mr. BRANDEIS. I think they would have been intolerable.

Commissioner O'CONNELL. You think just the reverse?

Mr. BRANDEIS. Yes, sir.

Commissioner O'CONNELL. You believe that all things, except possibly the question of wages, and that even not minimum wage, should be regulated by law?

Mr. BRANDEIS. No; I think the question of what we should regulate by law is purely a question to be determined by experience. We should not regulate anything by law except where an evil exists which the existing forces of unionism or otherwise, labor, are unable to deal with it. You can not lay down any better rule than this, that it is desirable that people should be left with the powers of free contract between one another except so far as experience shows that the existing forces will prevent contracts fair in their results. The provisions made law for the protection of women and children or for sanitary conditions and safety of all wage earners are justified, so far and only so far as experience shows that without them we shall suffer evils. We ought to go as far as, from time to time, it may be necessary to protect the community from those evils, but no further. How far we must go will vary in different communities. And we can very well see that in certain trades; for instance, where there is a complete organization there may be no need for legislation, because the trade-unions are able to protect the workers. In other trades and other communities where organization is absent for any reason, such as lack of public education or sex, it may be necessary to enter upon the field of legislation in order that the great public needs may be preserved.

Commissioner O'CONNELL. Do you believe the fact that there has been an organization of the wage workers in our time in this country, that it has had a tempering effect upon the—sort of a keeping of them down—in other words, having an effect of the prevention of trouble and prevention of violence.

Mr. BRANDEIS. I think it has been a very conservative tendency.

Commissioner O'CONNELL. Hasn't it had an educating effect upon the wage workers?

Mr. BRANDEIS. Undoubtedly.

Commissioner O'CONNELL. And no other influences had any more educational effect?

Mr. BRANDEIS. I don't know of any.

Commissioner O'CONNELL. Has the single individual as a wage worker or wealth producer in our town any opportunity or chance, as an individual, to protect and take care of himself and get right and justice as a wage worker?

Mr. BRANDEIS. He has not in many trades and many occupations.

Commissioner O'CONNELL. I am speaking of the unorganized individual.

Mr. BRANDEIS. I think there are some occupations where he probably has, and in some industries where he has; but it is a question of the relation of force. When you have a large employer, who not only is large in size but who has large means, and who can exert those means in summoning aid in any contest, and has great power of endurance, there the individual has no standing against him. If you make that unit large enough, as in case of the Steel Corporation, even the existence of a union will leave the individual worker practically without protection.

As an industry develops into a larger unit, the chances of the individual being able to protect himself diminishes. Self-protection is possible only where real freedom of contract exists. The only freedom the individual worker has is to leave and go to another employer. But if that is the only alternative and the other employer is equally as large, then the worker passes from pillar to post, and he has no protection at all. But where the situation is that the workman has some other alternative or where the employer needs the workman as much as the workman needs the employer, he may get protection, even without being a member of a union. But such cases are growing constantly less.

Commissioner O'CONNELL. Has not whatever consideration he does get—is it not based upon consideration that has been brought about by or through the unions of organized men—what they have set as a basis?

Mr. BRANDEIS. I think very largely, directly or indirectly, and I think that the unions have to a very considerable extent improved the conditions in non-union factories; sometimes more than they have in union factories. Owners of the nonunion factories often seek to keep out unionism by "going the unions one better."

Commissioner O'CONNELL. Just one question on the efficiency matter.

From the discussion back and forth between yourself and Commissioner Weinstock, I want to ask if the sole purpose of the employer in introducing the efficiency into his business, is for the purpose of increasing output, that the great public may be benefited by it? Has he no other motive, no other purpose, no other consideration of the workman to be better and more powerful?

Mr. BRANDEIS. Yes; I think there are a large number and a rapidly increasing number of employers whose purposes are laudable from every standpoint; from the standpoint of improving the condition of labor and of serving the community as well as serving themselves. We have in this country to an extraordinary degree an awakening of desire on the part of employers to improve the conditions of labor, and to be of service to the public as a whole.

Commissioner O'CONNELL. And—

Mr. BRANDEIS (interrupting). Of service to themselves.

Commissioner O'CONNELL. And as a business proposition at the basis, at the best?

Mr. BRANDEIS. Business men have come to recognize that you can not serve yourself well without serving the public, and I think the desire of a great many employers is just as great to serve the employees and the public as it is to serve themselves.

Commissioner O'CONNELL. In your experience as a lawyer, and having dealt for the employer and with the employer, for labor and with labor, and the opportunity that you have had of studying this matter, have you, in all that, heard of a union being in favor of waste?

Mr. BRANDEIS. I do not think I have ever known of a union which would declare that it was in favor of waste.

Commissioner O'CONNELL. I am speaking now not of soldiering of someone?

Mr. BRANDEIS. No; that would be the work of the individual man. But I have known of a good many instances where the union men were in favor of that which was waste, although they did not put it in that way; that they believed mistakenly in wasteful practices, just as employers have believed mistakenly as to what was for their own best interest or perhaps the best interest of the community. I think the work that is necessary among the unions, among a great many leaders, as well as among the rank and file, is education to make them realize that they are doing harm to other union men and to the community at large when they are not doing the best work and the most work they can. The need is, of course, not confined to unionists, it is equally needed among nonunion men.

In connection with scientific management, I heard an interesting illustration of just how the possibility of increasing production affects the mind of the individual worker. One of my friends was at an exposition in England where he saw a girl pasting labels upon a box. She was doing it apparently very rapidly and with great dexterity. As a matter of fact, looking at the process with his trained mind, my friend saw that she was making about three times the number of motions that were really necessary. She did not have the boxes at the right place; she did not have the labels at the right place; she did not have the paste at the right place; and so she was wasting a great deal of effort. He said to his friend, "I am going to see whether I can get her to do it in another way." And he induced her to undertake to put on the labels in his way. After considerable demur she consented to try it. He had with him a stop watch and timed her. She said, "I told you I couldn't do it as rapidly your way"; but as a matter of fact she had done the work twice as rapidly, even the first time that she tried the new method. She was quite interested when she learned this.

Commissioner O'CONNELL. With no additional energy, with no additional expenditure of energy?

Mr. BRANDEIS. With much less. A fortnight afterwards he came back and found she was doing the work in the old way—

Commissioner O'CONNELL. Was the energy on her part increased or decreased?

Mr. BRANDEIS. No, indeed; the energy required was less. When he came back again in a fortnight she was doing the work in the old way. He asked

her why, and she said, "Well, as I thought it over I concluded that I would not get any more money for doing more work and I was taking away work from somebody else. So I thought I would return to the old way of doing it."

Now, that is what I believe is happening quite generally without any wrongful intention to waste, but by reason of false economic doctrine. Of course, the unjust action in the past is one of the causes. But confidence and appreciation of economic truths are essential to prevent such waste.

Chairman WALSH. Commissioner Ballard would like to ask some questions.

Commissioner BALLARD. Mr. Brandeis, you spoke of probably your first experience in adjusting disputes between employers and employees while with a very large concern, and that you finally made agreements with the unions and worked with them. Has that continued ever since with the unions and dealt with them?

Mr. BRANDEIS. It did throughout the life of the employer who made the agreement.

Commissioner BALLARD. When later, however, it was replaced.

Mr. BRANDEIS. Well, there came changes—and there were two changes, changes in personnel and also changes in size. The business grew to be several times as large, for it was very successful. With that increase in size and the sense of power there was less patience with the demands of labor. I think the motive was good; yet there came a different attitude toward labor.

Commissioner BALLARD. It has been said, I have frequently heard it and sometimes read it, that one objection to the labor unions was, in the building trades where they organized plants, that every man was put on exactly the same basis; that individual effort was discouraged; individual ambition was discouraged; in fact, the man that did a little more than a certain task was held back by being told that he must not set such a pace, and that therefore the ambition of the common man was to some extent deterred and held down by the union principle. Has that been your experience?

Mr. BRANDEIS. I have observed instances of that, just as on the other hand there are other trades in which there is a complete absence of any such thing.

For instance, I had a great deal to do with the boot and shoe workers, and it was a common experience to find two men, one close to another, one might earn twice as much as his neighbor.

Commissioner BALLARD. That is probably in piecework.

Mr. BRANDEIS. Piecework.

Commissioner BALLARD. You spoke in answer to a question of Commissioner Weinstock and gave four or five things that you looked upon as being—well, among others, I understood you to mention the minimum wage.

Mr. BRANDEIS. Yes.

Commissioner BALLARD. I think in our study of industrial conditions a minimum wage is bound to come into the question. I think it would not be out of place if, perhaps, you could tell your views of the minimum wage.

Mr. BRANDEIS. Whether or not the minimum wage should be adopted or not would depend upon the conditions in the particular community and trade to which it applies. There ought not to be any adjudication establishing minimum wage unless an evil exists that can not be remedied otherwise. In many of the trades in which women are employed the data ascertained show that a very large percentage of the women are earning less, and in many cases much less, than is required for decent support, and that this condition is so definitely fixed that there appears to be no way of eradicating it except by the compulsory processes of law. Where that condition does exist it seems to me society demands that the law should interfere, just as it has interfered by limiting the hours of labor for women, the times in which they may work and the periods of rest.

The question presented is one of fact and not of theory. The principle is perfectly clear that you ought not to interfere with the right of contract unless society demands that you should. But the principle is equally clear that we should interfere with the right of contract so far as the conditions make it necessary in order to protect the community—present and future generations.

The condition is such in many of our industrial communities that this necessity exists. The women in industry are largely unorganized; they are largely untrained, being to a great extent in business only for a short time; the percentage of the young and inexperienced is large. In all those respects their condition differs from that of men, and the consequence of their receiving less than a decent wage is far more serious than in the case of men. It is necessary, therefore, for the protection of society that we should fix or rather

create boards which can upon investigation fix a minimum wage, having due regard to the position of employers as well as of the employee. And in fixing a minimum wage, it merely sets up a prohibition designed to protect the community from social danger.

We set up a prohibition that a person can not be an engineer upon a railroad or a stationary engineer unless he has had certain training. We set up the prohibition that a man can not operate an elevator unless he has reached a certain age. There are certain prohibitions which society has found it necessary, just as prohibitions about tenement houses and the like to protect the public health, safety, and general welfare. I believe that experience in many instances has shown that that condition exists in respect to women workers in industry calling for intervention in certain trades and communities. So far as it does exist and is serious, there is need of the interposition of the law to protect the communities and to protect the race against evils that are incident to such a condition.

Commissioner BALLARD. Rather than have the legislature make and fix a minimum wage you would have a board which should in special cases, perhaps, by consideration of the various cases, fix a minimum wage in those places?

Mr. BRANDEIS. I think it is absolutely clear that there ought not to be any general rule; for there can not be a general rule that is fair and just. The conditions as to what should be the minimum wage, what is the least on which you could live in the city of New York, is very different than what it is in some small village up the State. The conditions are different in different trades and occupations—the minimum wage in a department store, for instance, ought to be higher than the minimum wage in a factory, because the girl in the department store has to dress well all the time and that costs money. You ought to take into consideration locality and conditions; and in introducing the minimum we should also take into consideration the ability of the employer and give him time to make the change. Any law which undertakes to fix a definite wage as a minimum wage for the whole State is absolutely unscientific and uneconomic and would tend to create a great deal of suffering.

Commissioner BALLARD. That is all.

Chairman WALSH. Commissioner Garretson would like to ask a few questions.

Commissioner GARRETSON. Mr. Brandeis, in following out your investigations on efficiency systems, have you come in contact, in any great degree, with the personality of the men themselves affected thereby?

Mr. BRANDEIS. I have to some extent.

Commissioner GARRETSON. Have you found—have you or have you not found that a very large part of the objection on the part of the workman who has heretofore not had a voice in fixing the conditions of his service is founded on the position of absolutism assumed by the expert himself as a representative of industry?

Mr. BRANDEIS. I think that is true.

Commissioner GARRETSON. Do you believe it will ever be accepted by the men until their right to a voice in things is recognized as well as in other conditions?

Mr. BRANDEIS. I think not and I do not think it ought to be.

Commissioner GARRETSON. Do you believe that a proper corollary of scientific management would be a scientific method of distribution of the earnings or profits of the industry?

Mr. BRANDEIS. There is no such thing as a scientific distribution. When you get to the question of division of profits that is a question for the exercise of judgment and discretion, except so far as it may be a field for the exercise of power. But there ought not to be, to my mind, the slightest difference between the employer and the employee as to determining that they are going to earn the greatest amount they can; that is, to produce the greatest amount they can produce, consistently with the physical and mental health of the individual. That is a matter on which men ought not to differ in intent at all. Then having found that you can produce two, or in some instances three times as much as you did by some old rule of thumb method—when you find that out, then there is room for difference as to how the added profit shall be divided. Then the two sides should bargain with one another; but except as to the matter of dividing the profits the interests of employer and employee should be recognized as the same. No man ought to be required to work harder or in a different way from that which is consistent with the maintenance of

health, but he ought to work as hard as he can consistently with that. There ought to be unity of purpose until you come to a division of the increased profits, and then the two sides should bargain with one another in a large-minded way. As I stated in answer to a question of Mr. Weinstock, I think the time has come when labor should get the larger share of the increased profit.

Commissioner GARRETSON. Science is quite sufficient in producing but falls down in dividing?

Mr. BRANDEIS. Absolutely. I do not think science knows anything about the division of the excess profit; that is, for question of human judgment and discretion.

Commissioner GARRETSON. Or inhuman in some cases?

Mr. BRANDEIS. We refuse to recognize that.

Commissioner GARRETSON. There is one phase of the creation of foundations which I would like to have your opinion on, and that is not applied to any one, but to the idea of their creation. Do you believe a method of self-perpetuation of control is a safe principle as applied to institutions of that class?

Mr. BRANDEIS. Self-perpetuation—absolute self-perpetuation?

Commissioner GARRETSON. Yes.

Mr. BRANDEIS. I am afraid of it, and yet I recognize the great difficulty in suggesting a substitute. I think that also is a very difficult thing.

Commissioner GARRETSON. I do not question the difficulty thereof. It is only whether or not there is danger in that principle when improperly exercised.

Mr. BRANDEIS. I have no question about that.

Commissioner GARRETSON. It is the potential, and not the actual exercise at any given period.

Mr. BRANDEIS. I think that is clear.

Commissioner GARRETSON. Do you believe that the possession of unlimited power—and I am using the word “unlimited” only in the sense of untrammelled power or unlimited wealth—destroys the sense of proportion in the individual possessing it?

Mr. BRANDEIS. I think so.

Commissioner GARRETSON. If that is correct, do you hold—do you believe that a concentration of such power in the hands of any individual could be safely transmitted?

Mr. BRANDEIS. I think it can not.

Commissioner GARRETSON. Does the possession of that sense of power, or its concentration, always of necessity go with the possession of wealth, in the same unlimited degree?

Mr. BRANDEIS. Oh, no. I think some people have a sense of power that is so potent that it overrides all other questions with them. In other people there is a sense of duty. They are weighted down by the responsibility of their position and it may affect them in a very different way. But the creation of great power ordinarily does prevent the exercise of proper judgment and it is not safe in a democracy.

Commissioner GARRETSON. Is it not historic that the possession of the source of wealth has always created or given that power?

Mr. BRANDEIS. I think it has; and it is particularly dangerous when the power is transmitted from those who have amassed wealth to those who have not done anything to earn it.

Commissioner GARRETSON. Who have not touched the ground themselves?

Mr. BRANDEIS. Yes; and who have not had what is frequently the ennobling experience of creating it.

Commissioner GARRETSON. From your connection with investigations, I should be glad to have an expression from you on two conflicting opinions that have been given before this commission, because it seems to me that you have had unexampled opportunity for determining which of the two might have a foundation in fact. It has been testified to before this commission that control—financial control—of industrial and transportation interests can be traced to certain well-defined banking groups. Another witness criticized that statement as absurd. If you feel free to tell us from your experience and information I would be glad to know whether you think such control can be traced?

Mr. BRANDEIS. I believe it perfectly clear that it can be traced, and I believe the difference of opinion to which you refer is due to a difference of definition. Those who deny control are using that word “control” in a very restricted sense. They mean that these particular individuals have not definitely said, “This thing shall be done and that thing shall not be done.” But, as a matter

of fact, control is exercised and exercised to an extraordinary degree by the existence of a great power whom people believe and usually have reason to believe, would be pleased or displeased with the adoption or rejection of a given course. Great power controls without issuing orders.

Commissioner GARRETSON. You were asked a little while ago as to what would be your style of preachment to employees, if you were a union man. I am rather curious to know one thing, because your experience has been wide in dealing with the two interests in the matter that is before us, and according to your own statement you entered into it originally on the ground of an adviser of the employer. The question was asked you about only the legal phase of this preachment, and I am going to ask only about certain legal phases of the other side. In your experience, have you ever known an instance where an employer was in any way disciplined by any association or combination—local or general, national or international—with which you are connected, for violation of law, even after he had been convicted by the courts for such law violation, let alone violation of labor contracts?

Mr. BRANDEIS. I have known, in connection with the garment workers' protocol of employers being disciplined, not only where there was violation of law but where there was violation of rules of fair and honorable dealings with the union. A number of them have been disciplined by fines and a number of them have been disciplined by expulsion from the organization.

Commissioner GARRETSON. Good. Have you ever known of any other association of men that have done it?

Mr. BRANDEIS. I do not now recall any instance of employers, either in organizations or outside of organizations, who have undertaken to discipline members of their craft for dealing unjustly with employees.

Commissioner GARRETSON. That is all, Mr. Brandeis.

Mr. BRANDEIS. There may be such, but I do not happen to recall them.

Commissioner GARRETSON. Do you not believe that a wide dissemination of that knowledge, that the association had done such a thing, would be of more value in the minds of laboring men in establishing honest methods of procedure than any other one agency?

Mr. BRANDEIS. I do, and I think more than that. I believe that in regard to dealing with not only labor, but all problems where, for instance, capital is being unjustly attacked, as it is many times attacked, as well as justly, that there is no possible way of bringing about justice in the protection of classes, except the assumption by the class of the obligation of making the members of that class conform to proper moral standards; that the injustice that many railroads are suffering from to-day results from the transgression of individual railroads; that the injustice that bankers are suffering from, as a whole, is because of the transgression of individual bankers, and that this is due in large measure to the fact that there was not a recognition of the occupational or professional obligation. Each class has an obligation for its own protection, as well as that of the community, of being the one that sees to it that the higher standards of that organization are lived up to by its members. I do not think you can secure justice in any other way.

Commissioner GARRETSON. Is it not a fact, perfectly apparent to all familiar with the question, that many unions discipline every member that violates his agreement with his employer and often replace him if he has to abandon the service?

Mr. BRANDEIS. I have known one instance in connection with the boot and shoe workers' union where the union spent at that time \$100,000 to fill its contract to supply workers where the workmen went out on a strike as a result of the union contract.

Commissioner GARRETSON. That is all, Mr. Chairman.

Chairman WALSH. Mrs. Harriman would like to ask a few questions.

Commissioner HARRIMAN. Mr. Brandeis, do you think that Government ownership of public utilities would be of any advantage to labor?

Mr. BRANDEIS. I am uncertain whether it would or not. It might, perhaps, produce at the time more content, but I am not certain that it would in the end produce more content. It would depend upon what government it was; what community, and how it was administered. I doubt whether the question could be answered in the affirmative or in the negative comprehensively.

Commissioner HARRIMAN. You do not know any advantages, for example, that the employees of the Post Office Department have over employees of private express companies?



Mr. BRANDEIS. I should think, that on the whole, the post-office employee had, at all events, the advantage of being happier, more content, and that they have, on the whole, less of a feeling of not being treated fairly. I should say that the employees of the Federal Government have generally a sense of being fairly treated, and that they do not feel that they are subject to absolutist control. That is a very large element in their feeling happier. They feel they are a part of the organization, particularly where they have been selected under civil-service rules.

Commissioner HARRIMAN. One more question, please. In your opinion, has labor in this country anything to fear from immigration?

Mr. BRANDEIS. I think it has in certain ways; but I believe that the proper method of meeting these dangers is not to restrict immigration except as to definitely unfit classes.

Chairman WALSH. Prof. Commons would like to ask you some questions.

Commissioner COMMONS. I would like to ask a question on the legal aspect of this matter of the obligation of directors to their stockholders. Suppose the directors should start out to adopt a policy of paying considerably higher than the market rate of wages. Say that the wages were \$2 or \$3 a day and they should put the wages up to \$5. Would a minority stockholder have a right to go into court and get an injunction against the directors on the ground that it was something like the dissipation of funds? That they were taking away from the stockholders property which they really had in trust for the stockholders? What is the law at the present time, or is there any law that would touch that?

Mr. BRANDEIS. Yes; I think there is a general rule of law that could be properly applied to the case to which you call attention. The rule is that the directors have, in the absence of a vote of the stockholders, the discretion as to the running of the business. The business is a business of money making and it can not be run for benevolence; but it is a business in which the directors have the discretion as to how they shall proceed in order to make money for the company. If the directors believe that the welfare of the business as a whole, present and future, will be best advanced by the payment of larger wages, and that not necessarily the profits of this year, but the profits of years to come—the future—are going to be best advanced by paying wages far above the standard that ordinarily obtains, I think it is clear that the directors have, as a rule, power to compensate employees in that way. But it is not within their power to raise wages for the purpose of making presents to individuals, except where the additional payments are in pursuance of a plan to secure greater efficiency. You may call these additional payments bonuses or anything you like, if the purpose is to produce a more efficient and more successful organization in the long run, it is wholly within the power of the directors to make them.

Commissioner COMMONS. Would it be a question of fact?

Mr. BRANDEIS. Yes.

Commissioner COMMONS. Would the courts pass upon it?

Mr. BRANDEIS. What the court would pass upon is whether the directors had reasonable ground to believe that the policy would be profitable. The court might come to the conclusion that the business policy was not correct; it might be proven at the end of five years that it was incorrect to pay such high wages; but that fact alone would be immaterial. The fact that the directors had reasonable ground to believe that the policy pursued was for the financial interest of the company and believe it to be so would justify their action.

Commissioner COMMONS. At what point could the court enjoin such action?

Mr. BRANDEIS. The court could enjoin such action if it was clearly an arbitrary and unreasonable thing to do, considering the financial interests of the company.

Commissioner COMMONS. If, for example, it was shown that dividends were not being paid, would that be evidence?

Mr. BRANDEIS. The mere cessation of dividends would not be proof that the course pursued was unwise. A manufacturer might say, "I am going to make changes in my business which will prevent me from paying any dividend this year and next year, but I expect in the future to earn three times as much as I did before."

Commissioner COMMONS. Would the same thing hold if the State should legislate a minimum wage? Would the court hold that if the legislation affected profits so that dividends could not be paid, would that be unconstitutional?

Mr. BRANDEIS. I think the case of the minimum wage is even stronger for the validity of the act, but it presents a different question. What the legislature does in providing a minimum wage is not to compel the payment of any wage, but to prohibit a man doing that in business which is deemed dangerous to the public welfare. It is a prohibitory and not a compulsory law; it is not mandatory that particular wages be paid but a prohibition against employing a person unless at least the minimum wage be paid. There is no difference in principle in prohibiting a man from employing a woman at less than a certain wage, which is to be fixed by such a board as may be appointed, or than in prohibiting her from being employed more than eight hours a day or than in prohibiting the employment of girls under 16 years of age. In each case there is a prohibition of certain things, deemed dangerous to the public welfare. If one looks at the minimum wage law as a safety law, as a protective measure, its value seems clear. It does not compel a man to pay any certain wage; because he is not compelled to employ any person who is not worth, in his opinion, the amount of the minimum wage which is fixed.

Commissioner COMMONS. Assuming that a man has an established business that has been going on, under the existing conditions, and assuming that this minimum wage which is fixed is such a change in the existing condition that it puts him practically in a position of not being able to pay interest on the investment, or possibly on the bonds; could the court enjoin a law of that character?

Mr. BRANDEIS. Not merely because of that. Take the situation that was put to me yesterday by a gentleman high in station in New York, interested largely in the real estate business. He says that as a result of the Triangle Waist Co. fire certain legislation was enacted in regard to the safety of buildings which required changes in factories so extensive as to rob much property of its earning power. Nevertheless that law was constitutional if the requirements were necessary for the public safety. It may be unfortunate for the property owners but if there was reason to believe that those fire precautions were necessary to save life and limb the act would be perfectly constitutional. Precisely the same rule must be applied in regard to the minimum wage.

There is room for the exercise of a wise discretion in determining when and in what trade or community the minimum wage should be applied but the legislative power exists to provide that a business can not be carried on which is injurious to that community; and whether that injury comes through employing persons at wages which are less than a living wage and therefore results in injury to health or morals and to the race, or in increased taxation, or whether it comes from noxious smells or any other nuisance, that would seem to involve different facts but no difference in principle. The right exists generally to legislate so that those things shall not be done which injure the public welfare.

Commissioner COMMONS. I will ask my next question after the noon adjournment.

Chairman WALSH. There will be no session this afternoon. You may go ahead now, Mr. Commons.

Commissioner COMMONS. Would legislation be required in order to protect a board of directors which might decide to raise the wages above the market rate—above the market rate of wages, in order to protect such a board against an injunction that a court might issue on behalf of minority stockholders?

Mr. BRANDEIS. I do not think any legislation would be necessary, or any legislation that you could pass would be valid. I mean this: If it is within the principle which I have stated—the principle of raising wages with a view of advancing the interests of the corporation as a whole, then there is no need for legislation. If the proposed legislation is for the purpose of enabling the managers of the corporation to make presents—that is payments which have no relation to an increase in the earning power, then no legislation would be valid which sought to authorize the giving away the money of any existing corporation without the unanimous consent of existing stockholders. There is ample power in the board of directors, as a rule, to provide methods of remuneration. Of course the power is sometimes limited by statute or by-laws; there may be all sorts of limitation which stockholders may have placed upon the power of their directors. In some instances there are restrictions placed by the organic law of the corporation; but as corporations are generally created, and as powers are ordinarily vested in directors in this country, the power does exist in boards of directors to adopt such method of remuneration as in the judgment of the directors will best advance the interests of the corporation, and that would per-

mit paying very high wages—paying bonuses and the like—there is no such thing as a proper market rate of wages for all people, because people vary in efficiency, or at least in their possibilities of efficiency. If a man came to the conclusion that he would have nobody in his employ who was not worth \$5 a day, he could undoubtedly succeed in getting men who were just as well worth \$5 a day as his neighbors could get people that were worth but \$2 a day. With the variable standard of efficiency there is in the strict sense no standard wage applicable to all men.

Commissioner COMMONS. I had thought of asking Mr. Brandeis questions on the boycott, on the open shop, and on the preferential union shop from a legal standpoint, but if you are going to close at this hour, I suppose we can not talk longer at this time, but I can ask him those questions at a later time.

Chairman WALSH. I understand that it will be impossible for Mr. Brandeis to appear again to-day.

Mr. BRANDEIS. I could, perhaps, answer the question as to the preferential shop.

Commissioner COMMONS. I wanted to ask with regard to the legal aspects of it. I understand that the opinion of the courts is that the closed-shop demands of unions is an illegal demand. I think that is the statement of the anthracite-coal strike commission. On the other hand, the records of the anthracite-coal strike commission take the ground that there should be only an open shop. The question is, Has the employer the right to maintain only a nonunion shop if he desires—that is, has he the right to refuse to recognize a union or employ union men? Further, if it is legal to have the closed shop, why should it be legal to prescribe a preferential union shop?

Mr. BRANDEIS. I think the preferential union shop—I have never heard any question raised, and I do not see how any question can be raised, as to the legality of the preferential union shop. The preferential union shop is this: It is a shop in which union standards and conditions prevail, and in which the employer agrees, other things being equal, that he will employ union men—that he will give the union man a preference over a nonunion man. Now, that preferential union shop has seemed to me, certainly in many trades, to be a necessity if we are to have an effective union. I had, in early dealings with labor problems, found this situation to be very common where there was a perfectly honest open shop—that is, where the employer was willing to deal with the union fairly and squarely, making a contract with the union and agreeing with that union that he would not change conditions in his shop except upon negotiation with the union, but allow men in that shop to be either union or nonunion men, the better that worked, the stronger was the tendency of the men to drop out of the union. They felt that they were getting all of the benefits of the union without having to submit to any of its burdens. So a relatively small part of the men had to bear the burden of the union, not only in money, but in the administrative work of the union and in submission to those restrictions which are put upon the members of the union for the common benefit. So in the perfect operation of the union shop, in those instances, conditions existed which undermined the union itself. The very perfection of the operation of the open-shop agreement worked to the detriment of the union. Furthermore, it was unfair and was demoralizing to the nonunion men to get the benefits of the union without in any way contributing either by restriction or by money.

The question then came up as to how you can secure to the employer and others certain liberty of action and at the same time maintain the union. Justice and practical experience showed the necessity of creating some incentive to join the union, and, on the other hand, some disadvantage in not joining the union. On the whole the most advantageous incentive was to give preference in employment to him who joined the union; to say to the man who joins that union, "I will give you preference, but you must be up to the standard; you must be as good as the other man." And if the union can not supply such men, then, that you may take some nonunion man. Under this system the closed shop is avoided. In the preferential union shop certain men are given preference over other men; and that is the principle which underlies the protocol in the garment workers' trade.

Commissioner COMMONS. Do you advise unions now giving up the closed-shop idea and asking for the preferential shop?

Mr. BRANDEIS. I do; and I think such a course would remove to a large extent the opposition of employers to unionism, and their refusing to enter into agreements with unions.

(At this point Chairman Walsh retires and Commissioner Lennon takes the chair.)

Commissioner COMMONS. Is your reason legal or given on legal grounds?

Mr. BRANDEIS. It is partly legal, partly sentimental, and partly a recognition of economic rights and a sound social policy.

Commissioner COMMONS. Employers that now stand for the open shop, what is your advice to them?

Mr. BRANDEIS. I should say to ~~those employers~~ who stand for the open shop, that they ought to recognize that it is for their interests as well as that of the community that unions should be powerful and responsible; that it is to their interests to build up the union; to aid as far as they can in making them stronger; and to create conditions under which the unions shall be led by the ablest and most experienced men. A large part of all union activity to-day, and in the past, has been devoted to the struggle for existence; and that fact accounts also for a large part of union excesses. As nearly as possible union existence should be assured so that the efforts of the leaders might be devoted to solving the fundamental and difficult problems of discipline and organization, and the working out of other problems of the trades.

Acting Chairman LENNON. Professor, we would like to adjourn in a moment or two, and some of the other commissioners have given notice that they are going.

Commissioner COMMONS. I have enough to occupy all the afternoon; but I am not going to ask another question.

Acting Chairman LENNON. The commission will then stand adjourned until 10 o'clock Monday morning, January 25, 1915.

(At 12.45 in the afternoon of this Saturday, January 23, 1915, an adjournment was taken until Monday, January 25, 1915, at 10 o'clock a. m., in the board of estimates' room at the city hall, Borough of Manhattan, New York City.)

## EXHIBITS.

### UNTERMYER EXHIBIT.

NEW YORK, February 5, 1915.

HON. FRANK P. WALSH,

*Chairman United States Commission on Industrial Relations.*

DEAR SIR: In compliance with the request of the commission contained in its communication to me I have had certain facts and figures compiled from official sources in answer to the testimony of Messrs. Schiff and Morgan and in support of the statement made by me at the opening of the investigation to the effect that the potential and eventual control of the majority of the great railroad systems of this country is under the domination of two great banking houses in the city of New York and their allies and associates.

This assertion was not based upon surmise, opinion, or suspicion. It is founded on provable facts and is supported, among other things, by the official findings of a committee of the House of Representatives, concurred in by 10 of the 11 members of that committee, including all the Democratic members and 2 of the 3 Republican members. It is based on the oral and documentary evidence furnished by the representatives of these banking houses and others.

The conclusion that there is such control was not intended to and does not involve an attack upon or criticism of the members of these banking houses. It is the fault of our governmental system and is due to the absence of proper regulative laws, such as exist in other countries. It is not necessary here to discuss the extent, if any, to which the influence of these gentlemen is responsible for the absence of such laws and for the grave abuses that have grown out of this defective system.

The observations made by me were entirely impersonal and I have yet to learn of any attempt to refute the facts—unless the very sweeping unsupported and inconsequential statement of Mr. Schiff, of Kuhn, Loeb & Co., to the effect that it was all "sheer nonsense" may be looked upon as rising to the dignity of an argument or refutation of the facts presented.

I take the opportunity in this connection of expressing my high regard for the character and public spirit of Mr. Schiff and for his exceptional judgment on subjects in which he is not obsessed by self-interest; but the situation affects too closely the people of the country and is too far-reaching in its results to be disposed of by the mere ipse dixit of one of the interested parties, however eminent and well-intentioned.

Mr. Morgan's statement that "If we dominate half the railroads of the country, I have never noticed it"—which is not what I said—reminds one forcibly of the like attitude and testimony of his distinguished father before the Pujo committee of 1913, as follows—

"Q. You do not think you have any power in any department of industry in this country, do you?—A. I do not.

"Q. Not the slightest?—A. Not the slightest."

which was followed almost immediately by the following answers to the following questions put to him as to the way in which he compelled Mr. Thomas F. Ryan to surrender to him the control of the Equitable Life Assurance Society, involving the disposition of over \$500,000,000 of money, securities, and other assets—

"Q. Did Mr. Ryan offer this stock to you?—A. I asked him to sell it to me.

"Q. Did you tell him why you wanted it?—A. No; I told him I thought it was a good thing for me to have.

"Q. Did he tell you that he wanted to sell it?—A. No; but he sold it.

"Q. He did not want to sell but when you said you wanted it he sold?—A. He did not say that he did not want to sell it.

"Q. What did he say when you told him you would like to have it and felt you ought to have it?—A. He hesitated about it and finally sold it."

The fact that Mr. Morgan, jr., has "never noticed" that his firm and that of Kuhn, Loeb & Co. together dominate a majority of the great systems—I did not say all of the railroads of the country—is neither persuasive nor surprising if he knows as much or as little about such conditions as he professes to know about the corporations of which he is a director.

You will recall my furnishing you a partial list of the great railroad systems that had come under the control of Messrs. Morgan & Co. as the result of our defective laws for the reorganization of insolvent corporations, among which were named the Reading, the Atchison, the Erie, the Southern, the Northern Pacific, the Pere Marquette, the Chicago Great Western, the Cincinnati, Hamilton & Dayton, and the Chesapeake & Ohio, besides a list of others of which control was acquired otherwise than through reorganization, among which may be named the New Haven, the Lake Shore, the Michigan Central, and others.

It would be interesting to inquire what part his firm took in the selection of the presidents, executive officers, and directors of these roads.

In Mr. Morgan's testimony before you on Monday he is reported as stating with respect to the control of these reorganized properties that—

"When you reorganize a railroad company it is necessary that the policy of that company for the first few years should be controlled. Consequently, on most all occasions in my experience in reorganization, there has been a voting trust which carries control of the company as a consistent policy throughout the first 5 years and sometimes it has been extended to 10 years, at which time the voting trust terminates, and when the voting trust terminates the company runs that road from that time on. After the reorganization the financial interests would feel that it was necessary for them to retain control."

A voting trust to whom? The list submitted shows that the voting trusts have put the selection of the directors absolutely in Mr. Morgan's firm. But the statement is only partly accurate. It is incomplete. A number of these roads have been reorganized by the banking houses to which I have referred without voting trusts but the officers and boards of directors have almost uniformly been designated by the banking house that has acted as reorganization manager, whether there was or was not a voting trust in their favor under which they did so. After the expiration of the voting trust the personnel of the board named by the bankers under the voting trust almost uniformly continues, except where changes have been made necessary through death or resignation and in those cases the bankers have dictated or participated in selecting the successors, so that in effect the management installed by them has continued.

Nor is it quite accurate to say that the voting trusts continue only for 5 or 10 years after reorganization. In the case of the Southern Railway, for instance, the voting trust to Messrs. Morgan and Baker, which in express terms placed the absolute control in their hands, continued for 19 years and until it was dissolved within the past year as a result of the agitation brought about by the disclosures of the Pujo investigation with respect to that property and to the effects of voting trusts generally.

In further support of the statement as to the potential power of these banking houses I submit to you the following data that has been collated as above stated, which was supplied from official sources in answer to the following questions:

1. The total railroad mileage in the United States.
2. A list of all railroads in the United States over 100 miles.
3. A list of the interstate railroads, separately indicated.
4. A separate list of the great systems—say the roads of 1,000 miles and over.
5. A list of directors of the large roads (to show their interlocking character) and whom they represent.
6. A list of all the roads reorganized since 1890.
7. The names of the committee and banking house, together with the names of the voting trustees.
8. A list of the roads that are now in the hands of receivers and those that are undergoing reorganization, whether through receivership or readjustment, which would include the Rock Island and the Missouri Pacific, together with the names of the committees connected with them and the banking house.

Those parts of these statistics that are material to the present discussion may be briefly summarized as follows:

1. There are 56 railroad systems in the United States of over 1,000 miles in length each.

2. These great systems together own 208,835 miles out of 253,308 miles of railroad in the country that are represented in all by 230 railroad companies.

3. There have been 81,851 miles of road reorganized since 1890 in insolvency proceedings, of which I find that over 50,000 miles was accomplished under the direction of these two banking houses.

4. There are now 43,299 miles in the hands of receivers or otherwise undergoing reorganization, readjustment, or change of management, of which I find that 31,000 miles and upward are headed for like control, of which the Missouri Pacific, Wabash, and the Wheeling & Lake Erie are illustrations. All three of them are confessedly going into the hands of Kuhn, Loeb & Co. and the interests they represent.

5. These figures do not include systems such as the New York Central, the Chicago, Burlington & Quincy, the Delaware, Lackawanna & Western, the Illinois Central, the Louisville & Nashville, the Lake Shore & Michigan Southern, and the Michigan Central, with a total mileage of 29,389.26, the ultimate financial management of which is wholly or partially dominated by these interests and their recognized associates; nor does it include the many other properties in which they have a potent voice; nor the tens of thousands of miles of road that are dependent for existence upon the patronage of the great systems thus controlled.

The smaller roads are largely "feeders" to the great systems and are dependent on the latter for business. The small roads must have the good will of the great systems. To that extent the latter dominate, so that if we want to determine where lies the potential power over the railroads and over the banks and industries that depend upon them, we must ascertain the source of control of the great systems. It should rest with the stockholders, but in point of fact they are a negligible quantity.

6. At page 147 of the Pujo report we find the following finding that was concurred in by 10 of the 11 members (including all the Democratic members and 3 of the 4 Republican members) of that distinguished committee of the House of Representatives as the result of many months of painstaking investigation:

"Your committee finds that vast system of railroads in various parts of the country are in effect subject to the control of this inner group—a situation not conducive to genuine competition."

Under the heading of "Railway reorganizations as an instrument of concentration" the committee says (p. 149):

"In that way and as the result, also, of reorganizations in which there was no voting trust, but in which the initial officers and directors were named by the bankers as reorganization managers, banking domination of the following railroad systems was secured by Messrs. Morgan and Kuhn, Loeb & Co.:

"First. The Baltimore & Ohio, where Kuhn, Loeb & Co., with Speyer & Co., were the reorganization managers, the plan of reorganization being approved by J. P. Morgan & Co., and Mr. Coster, of that firm, becoming a voting trustee.

"Second. The Chesapeake & Ohio, where the reorganization managers were Drexel, Morgan & Co., as the present firm of J. P. Morgan & Co. was formerly named.

"Third. The Cincinnati, Hamilton & Dayton, where Morgan & Co. were reorganization managers and Mr. Morgan is a voting trustee, the voting trust being still in force.

"Fourth. The Chicago Great Western, where Morgan & Co. were the reorganization managers and Mr. Morgan and his associate, Mr. Baker, are voting trustees, the voting trust being still in force.

"Fifth. The Erie, where Morgan & Co. were the reorganization managers and Mr. Morgan became a voting trustee.

"Sixth. The Northern Pacific, where Morgan & Co. were the reorganization managers and Mr. Morgan became a voting trustee.

"Seventh. The Pere Marquette, which was reorganized by Morgan & Co.

"Eighth. The Southern, which was reorganized by Morgan & Co., Mr. Morgan and Mr. Baker becoming voting trustees and still continuing as such.

"Ninth. The Reading, which was reorganized by Morgan & Co., Mr. Morgan becoming a voting trustee.

"Tenth. The Union Pacific, which was reorganized by Kuhn, Loeb & Co."

7. Mr. George M. Reynolds, the president of the Continental & Commercial National Bank of Chicago, which is the second largest banking institution in

this country, testified before that committee, among other things, as follows, on the subject of concentration of the control of credits and properties (p. 105 of the report):

"Q. What would you say as to that concentration of the control of money and credit being a menace to the country?—A. That involves a very deep question. Personally, I am inclined to believe that an excess of power of any kind in the hands of a few men might properly be called a menace. I do not mean to say that the people who had that control and power have used it improperly. I do not mean to say that at all.

"Q. Taking the present situation, as you find it, Mr. Reynolds, what is your judgment as to whether that situation is a menace?—A. I am inclined to think that the concentration, having gone to the extent it has, does constitute a menace. I wish again, however, to qualify that by saying that I do not mean to sit in judgment upon anybody who controls that, because I do not pretend to know whether they have used it fairly or honestly or otherwise."

8. Mr. George F. Baker, the life-long business associate of Mr. Morgan and one of the two most powerful factors in the railroad and financial world, testified, as follows on the general subject of the control of credits, as represented by the domination over the railroads, banks, and trust companies (p. 106 of the report):

"Q. I suppose you would see no harm, would you, in having the control of credit, as represented by the control of banks and trust companies, still farther concentrated? Do you think that would be dangerous?—A. I think it has gone about far enough.

"Q. You think it would be dangerous to go farther?—A. It might not be dangerous; but still it has gone about far enough. In good hands, I do not see that it would do any harm. If it got into bad hands, it would be very bad.

"Q. If it got into bad hands it would wreck the country?—A. Yes; but I do not believe it could get into bad hands.

"Q. You admit that if this concentration, to the point to which it has gone, were by any action to get into bad hands, it would wreck the country?—A. I can not imagine such a condition.

"Q. I thought you said so?—A. I said it would be bad; but I do not think it would wreck the country. I do not think bad hands could manage it. They could not retain the deposits nor the securities.

"Q. I am not speaking of incompetent hands. We are speaking of this concentration, which has come about and the power that it brings with it, getting into the hands of very ambitious men, perhaps not overscrupulous. You see a peril in that, do you not?—A. Yes.

"Q. So that the safety, if you think there is safety in the situation, really lies in the personnel of the men?—A. Very much.

"Q. Do you think that this is a comfortable situation for a great country to be in?—A. Not entirely."

9. Among the documents I have submitted you will find a list of directors which, when taken in connection with the charts and lists attached to the Pujo report, and the table at pages 92-100 of that report, will give you a faint conception of the extent of the control to which I have referred. If you will look at Exhibit 134-C of December, 1912, contained in volume 2 of the testimony of that investigation, under the heading of "Explanation of table of interlocking directorates," you will get further enlightenment as to the extent of such control. These tables were not compiled out of the inner consciousness of the members of the Committee on Banking and Currency. They were made up from data furnished by the banking houses, including the two houses to which I have referred.

The domination of these same interests and their associates—more particularly the Morgan-Baker interests—over the coal industries of the country, and especially in the anthracite region, is still more impressive than is their control over the railroads. They have been potent factors in the ultimate decision of the policy to be pursued with respect to every great general coal and railroad strike for the past 10 years.

The history of the New Haven road furnishes a fair illustration of the extent of the autocratic power of these gentlemen over the properties that they thus dominate without holding substantial pecuniary interests in the securities. They select the executive officers, who in turn hold themselves accountable to them instead of to the directors and shareholders. I believe it is broadly and literally true, as stated by Messrs. Schiff and Morgan, that



in some cases this responsibility is reluctantly assumed and still more reluctantly exercised, notwithstanding the vast patronage that it involves in the way of marketing the securities of these companies and of controlling their vast purchases. It is the fault of the system, which renders it practically impossible for the widely scattered shareholders to assume control of their properties. My chief purpose is again and again calling attention to this situation is to endeavor to secure a reform of the system that will put the shareholders in control of their properties and scatter this dangerous concentration of power. It is increasing with startling rapidity, especially in the railroad world, as is apparent from the figures above quoted.

It indirectly involves an autocracy over our industries and moneyed institutions and a potential power over our political life that can not be tolerated. We may assume that the power is at the moment being wisely administered. We are not prepared for that kind of an autocracy, no matter how administered. The ramifications of such control may be endless. The patronage that can be dispensed or withheld and can make or unmake other and tributary industries, and that can prevent competition and further railway construction renders the development of the present methods too unsafe. Railroad control over our political life in the past has been vicious. With the increase and concentration of that power in ambitious or unscrupulous hands it would become dangerous to our institutions.

I do not mean to imply that that sort of criticism applies to present conditions nor that the properties are now being exploited as in the past, for I am satisfied that the worst of these scandals is over, at least for the time being, and that we are approaching an era of higher sense of responsibility.

The remedy for this increasing banking domination lies in more effective public control, in the reform of our methods of selecting directors, and a better form of representation for stockholders, and in paying directors adequately for their services and holding them to a higher degree of responsibility.

I would briefly summarize the relief that is needed in this connection as follows:

First. The enactment of a national corporation law under which all interstate corporations would be required to incorporate and which will provide the following additional safeguards for stockholders:

(a) The right to minority representation, which will divide the stock into as many parts as there are directors to be elected. If there are nine directors to be elected, one-ninth of the stock may elect one director; two-ninths may elect two directors, and so on. The majority would always control, as it should; but the minority will be represented. That will give the stockholders the hope and incentive to combine for representation.

(b) Proxy voting should be abolished. Stockholders should vote either in person or by mail and directly for the candidates, instead of intrusting their proxies to unknown men to vote for undisclosed candidates. The election should be under the supervision of the Interstate Commerce Commission.

(c) The management should nominate its candidates 90 days before the election. The stockholders should have the right to nominate 30 days before the election. The lists of all candidates nominated on the various tickets should be sent to the stockholders, who should select their representatives.

The power to enact such a national law with respect to interstate corporations can no longer be questioned. I believe it exists also independently of the commerce clause of the Constitution and can be resorted to with respect to intrastate railroad corporations under the post-offices and post-roads clause of the Constitution.

Second. There should be a separate law for the reorganization of insolvent corporations similar to the British reconstruction act and to the law prevailing on that subject in Germany. It should provide for an official receiver to be appointed by the Interstate Commerce Commission, thus superseding the present scandalous methods of appointing receivers. We had the same difficulties with respect to banks until the system was changed. I would liken this procedure to that now applicable to the winding up of national banks and of State banks under the laws of New York. The plan of reorganization should be subject to the approval of the court and of the Interstate Commerce Commission, which would protect the rights of minorities and would, I hope, result in abolishing the present self-styled, self-constituted reorganization committees that are set up by the bankers to execute their will. In this connection I beg to direct your attention to pages 148-156 of the Pujo report, where the present system is fully set forth and its defects pointed out.

Third. There should be a smaller number of directors, with greater concentration of responsibility. They should be paid substantial salaries, and, if need be, a small interest in the net profits over and above a given amount, as is customary in the continental countries. They should be prohibited from speculating in the stocks of their own companies, and short selling by a director of the stock of his corporation should be a felony.

Fourth. No securities should be issuable except with the approval of the Interstate Commerce Commission.

Fifth. The funds of interstate railroad corporations should be deposited only in incorporated banks and not with private bankers.

Sixth. The system of fiscal agents should be abolished and the securities of corporations should be sold under proper safeguards by public offerings or by a form of competitive bidding to be prescribed by the Interstate Commerce Commission.

With the inauguration of these reforms I believe that the development of our railroads will proceed with better satisfaction to the public than under Government ownership and that banking control will be reduced to a minimum.

Very truly, yours,

SAML. UNTERMYER.

[The figures and data contained herein have been obtained from sources believed to be reliable; we do not, however, hold ourselves responsible for the accuracy of any of the statements.—*Moody Manual Co.*]

1. The total railroad mileage in the United States.
2. A list of all railroads in the United States over 100 miles.
3. A list of the interstate railroads, separately indicated.
4. A separate list of the great systems—say, the roads of 1,000 miles and over.
5. A list of the directors of the large roads (to show their interlocking character) and whom they represent.
6. A list of all the roads reorganized since 1890.
7. The names of the committees and banking houses, together with the names of the voting trustees.
8. A list of the roads that are now in the hands of receivers and those that are undergoing reorganization, whether through receivership or readjustment, which would include the Rock Island and the Missouri Pacific, together with the names of the committees connected with them and the banking house.

#### QUESTION No. 1.

The total railroad mileage in the United States on June 30, 1913, as filed with the Interstate Commerce Commission, was 249,803 miles. These are the latest figures obtainable from official sources. From unofficial data we would judge that about 3,500 miles of additional mileage was laid from June 30, 1913, to December 31, 1914.

#### QUESTIONS NOS. 2 AND 3.

[The companies indicated by an asterisk (\*) are those whose mileage is located in more than one State.]

Alabama & Vicksburg Ry.  
 \*Alabama Great Southern R. R.  
 \*Alabama, New Orleans, Texas & Pacific Junction Rys. Co. (Ltd.).  
 \*Alabama, Tennessee & Northern Ry.  
 Albany & Susquehanna R. R.  
 \*Ann Arbor R. R.  
 Apalachicola Northern R. R.  
 \*Arizona & New Mexico Ry.  
 Arizona Eastern R. R.  
 \*Arkansas Pacific Ry.  
 \*Atchison, Topeka & Santa Fe Ry.  
 \*Atlanta & Charlotte Air Line Ry.  
 \*Atlanta, Birmingham & Atlantic R. R.  
 Atlantic & Danville Ry.  
 Atlantic & St. Lawrence R. R.

Atlantic City R. R.  
 \*Atlantic Coast Line R. R.  
 \*Baltimore & Ohio R. R.  
 Baltimore & Ohio R. R. in Penna.  
 \*Baltimore & Ohio Southwestern R. R.  
 \*Baltimore, Chesapeake & Atlantic Ry.  
 Bangor & Aroostook R. R.  
 \*Beaumont, Sour Lake & Western Ry.  
 Beech Creek Extension R. R.  
 Beech Creek R. R.  
 Bessemer & Lake Erie R. R.  
 \*Boston & Albany R. R.  
 \*Boston & Lowell R. R. Corp.  
 \*Boston & Maine R. R.  
 Boyne City, Gaylord & Alpena R. R.

## QUESTIONS NOS. 2 AND 3—Continued.

- Brinson Ry.  
 \*Buffalo & Susquehanna R. R. Corp.  
 \*Buffalo, Rochester & Pittsburgh Ry.  
 \*California, Arizona & Santa Fe Ry.  
 \*Camas Prairie R. R.  
 Cane Belt R. R.  
 Cape Girardeau Northern Ry.  
 Carolina & Northwestern Ry.  
 Carolina, Atlantic & Western Ry.  
 \*Carolina, Clinchfield & Ohio Ry.  
 Catawissa R. R.  
 \*Central Indiana Ry.  
 \*Central New England Ry.  
 \*Central of Georgia Ry.  
 Central Ohio R. R.  
 \*Central Pacific Ry.  
 \*Central R. R. of N. J.  
 \*Central R. R. of Oregon.  
 Central Ry. of Arkansas.  
 \*Central Vermont Ry. (Mileage partly in United States and partly in Canada.)  
 \*Charleston & Western Carolina Ry.  
 Charlotte Harbor & Northern Ry.  
 \*Chesapeake & Ohio Ry.  
 \*Chesapeake & Ohio Ry. of Indiana.  
 \*Chicago & Alton R. R.  
 \*Chicago & Eastern Illinois R. R.  
 \*Chicago & Erie R. R.  
 \*Chicago & North Western Ry.  
 \*Chicago, Burlington & Quincy R. R.  
 \*Chicago Great Western R. R.  
 \*Chicago, Indiana & Southern R. R.  
 \*Chicago, Indianapolis & Louisville Ry.  
 \*Chicago, Milwaukee & Gary Ry.  
 \*Chicago, Milwaukee & St. Paul Ry.  
 \*Chicago, Peoria & St. Louis R. R.  
 \*Chicago, Rock Island & Gulf Ry.  
 \*Chicago, Rock Island & Pacific Ry.  
 \*Chicago, St. Louis & New Orleans R. R.  
 \*Chicago, St. Paul, Minneapolis & Omaha Ry.  
 \*Chicago, Terra Haute & Southeastern Ry.  
 \*Choctaw, Oklahoma & Gulf R. R.  
 \*Cincinnati, Hamilton & Dayton Ry.  
 \*Cincinnati, Indianapolis & Western Ry.  
 \*Cincinnati, New Orleans & Texas Pacific Ry.  
 \*Cincinnati Northern R. R.  
 Cleveland & Mahoning Valley Ry.  
 Cleveland & Pittsburgh R. R.  
 Cleveland, Akron & Cincinnati Ry.  
 \*Cleveland, Cincinnati, Chicago & St. Louis Ry.  
 Cleveland, Lorain & Wheeling Ry.  
 Coal & Coke Ry.  
 \*Colorado & Southern Ry.  
 \*Colorado & Wyoming Ry.  
 Colorado Midland Ry.  
 Colorado R. R.  
 Colorado, Wyoming & Eastern Ry.  
 \*Connecticut & Passumpsic Rivers R. R.
- \*Concord & Montreal R. R.  
 Copper Range R. R.  
 Copper River & Northwestern Ry.  
 Corvallis & Eastern R. R.  
 Cripple Creek Central Ry.  
 \*Cumberland Valley R. R.  
 Dawson Ry.  
 Dayton & Michigan R. R.  
 \*Delaware & Hudson Co.  
 \*Delaware, Lackawanna & Western R. R.  
 Delaware, Maryland & Virginia R. R.  
 \*Delaware R. R.  
 \*Denver & Rio Grande R. R.  
 Denver & Salt Lake R. R.  
 Des Moines & Fort Dodge R. R.  
 Detroit & Mackinac Ry.  
 Detroit, Grand Haven & Milwaukee Ry.  
 \*Detroit, Toledo & Ironton R. R.  
 Detroit, Toledo & Milwaukee R. R.  
 \*Dodge City & Cimarron Valley R. R.  
 \*Dubuque & Sioux City R. R.  
 Duluth & Iron Range R. R.  
 Duluth & Northern Minnesota Ry.  
 Duluth, Missabe & Northern Ry.  
 \*Duluth, South Shore & Atlantic Ry.  
 El Paso & Northeastern Ry.  
 El Paso & Rock Island Ry.  
 \*El Paso & Southwestern Co.  
 \*El Paso & Southwestern R. R.  
 \*Elgin, Joliet & Eastern Ry.  
 Erie & Pittsburgh R. R.  
 \*Erie R. R.  
 Escanaba & Lake Superior R. R.  
 European & North American Ry.  
 Evansville & Indianapolis R. R.  
 \*Fitchburg R. R.  
 Florence & Cripple Creek R. R.  
 Florida East Coast Ry.  
 \*Fort Smith & Western R. R.  
 \*Fort Wayne & Jackson R. R.  
 \*Fort Worth & Denver City Ry.  
 Fort Worth & Rio Grande Ry.  
 Galveston, Harrisburg & San Antonio Ry.  
 Geneva, Corning & Southern R. R.  
 Georgetown & Western R. R.  
 \*Georgia & Florida Ry.  
 \*Georgia, Florida & Alabama Ry.  
 Georgia R. R.  
 \*Georgia Southern & Florida Ry.  
 \*Gillmore & Pittsburgh R. R. (Ltd.).  
 \*Grand Rapids & Indiana Ry.  
 \*Grand Trunk Western Ry.  
 \*Great Northern Ry.  
 Green Bay & Western R. R.  
 Gulf & Ship Island R. R.  
 \*Gulf, Colorado & Santa Fe Ry.  
 \*Gulf, Florida & Alabama Ry.  
 Gulf, Texas & Western Ry.  
 Hartford & Connecticut Western R. R.  
 Hawkinsville & Florida Southern Ry.  
 Hocking Valley Ry.  
 Houston & Texas Central R. R.

## QUESTIONS NOS. 2 AND 3—Continued.

- \*Houston East & West Texas Ry.
- \*Idaho & Washington Northern R. R.
- \*Illinois Central R. R.
- \*Illinois Southern Ry.
- \*Indiana Harbor Belt R. R.
- International & Great Northern Ry.
- Jackson, Lansing & Saginaw R. R.
- Jamestown, Franklin & Clearfield R. R.
- \*Jasper & Eastern Ry.
- \*Kanawha & Michigan Ry.
- \*Kansas City, Clinton & Springfield Ry.
- \*Kansas City, Fort Scott & Memphis Ry.
- \*Kansas City, Memphis & Birmingham R. R.
- \*Kansas City, Mexico & Orient R. R.
- \*Kansas City, Mexico & Orient Ry. of Texas.
- \*Kansas City, St. Louis & Chicago R. R.
- \*Kansas City Southern Ry.
- Keokuk & Des Moines Ry.
- \*Lake Erie & Western R. R.
- \*Lake Shore & Michigan Southern Ry.
- Las Vegas & Tonapah R. R.
- \*Lehigh & Hudson River Ry.
- \*Lehigh & New England R. R.
- Lehigh & New York R. R.
- \*Lehigh & Susquehanna R. R.
- \*Lehigh Valley R. R.
- Lehigh Valley R. R. of New Jersey.
- Lehigh Valley Ry.
- Lexington & Eastern Ry.
- Little Miami R. R.
- Long Island R. R.
- \*Louisiana & Arkansas Ry.
- Louisiana & Missouri River R. R.
- \*Louisiana & Northwest R. R.
- Louisiana & Pine Bluff Ry.
- Louisiana Ry. & Navigation Co.
- Louisiana Western R. R.
- \*Louisville & Nashville R. R.
- \*Louisville Henderson & St. Louis Ry.
- \*Macon & Birmingham Ry.
- \*Maine Central R. R.
- Manistee & Northeastern R. R.
- Maryland, Delaware & Virginia Ry.
- \*Mason City & Fort Dodge R. R.
- \*Memphis, Dallas & Gulf R. R.
- \*Michigan Air Line Ry.
- \*Michigan Central R. R.
- \*Midland Valley R. R.
- Mineral Range R. R.
- \*Minneapolis & St. Louis R. R.
- \*Minneapolis, St. Paul & Sault Ste. Marie Ry.
- Minnesota & International Ry.
- \*Mississippi Central R. R.
- \*Missouri & North Arkansas R. R.
- \*Missouri, Kansas & Texas Ry.
- Missouri, Kansas & Texas Ry. of Texas.
- \*Missouri, Oklahoma & Gulf Ry.
- \*Missouri Pacific Ry.
- Mobile & Birmingham R. R.
- \*Mobile & Ohio R. R.
- \*Morgan's Louisiana & Texas R. R. & S. S. Co.
- Morris & Essex R. R.
- Muinasing, Marquette & Southeastern Ry.
- \*Nashville & Decatur R. R.
- \*Nashville, Chattanooga & St. Louis Ry.
- \*Nevada-California-Oregon Ry.
- Nevada Northern Ry.
- New London Northern R. R.
- New Mexico Central R. R.
- New Orleans & Northeastern R. R.
- \*New Orleans Great Northern R. R.
- \*New Orleans, Mobile & Ohio R. R.
- \*New Orleans, Texas & Mexico R. R.
- New York & Harlem R. R.
- \*New York Central & Hudson River R. R.
- \*New York, Chicago & St. Louis R. R.
- New York, Lackawanna & Western Ry.
- New York Central R. R.
- \*New York, New Haven & Hartford R. R.
- \*New York, Ontario & Western Ry.
- \*New York, Philadelphia & Norfolk R. R.
- \*New York, Susquehanna & Western R. R.
- \*Norfolk & Western Ry.
- \*Norfolk Southern R. R.
- North Carolina Ry.
- \*Northern Central Ry.
- Northern Ohio Ry.
- \*Northern Pacific Ry.
- Northwestern Pacific R. R.
- \*Nypano R. R.
- Oklahoma Central R. R.
- \*Old Colony R. R.
- Oregon & California R. R.
- \*Oregon Short Line R. R.
- \*Oregon Trunk Ry.
- \*Oregon, Washington R. R. & Navigation Co.
- Pacific Coast Ry.
- Pacific Ry. & Navigation Co.
- \*Paducah & Memphis Division (L. & N. R. R.).
- \*Pecos & Northern Texas Ry.
- Pennsylvania & New York Canal & R. R.
- \*Pennsylvania Co.
- \*Pennsylvania R. R.
- \*Peoria & Eastern Ry.
- Peoria & Pekin Union Ry.
- \*Pere Marquette R. R.
- \*Philadelphia & Reading Ry.
- \*Philadelphia, Baltimore & Washington R. R.
- Pierre, Rapid City & North Western Ry.

## QUESTIONS NOS. 2 AND 3—Continued.

- \*Pittsburg & Lake Erie R. R.
- \*Pittsburg & Western R. R.
- \*Pittsburg, Bessemer & Lake Erie R. R.
- \*Pittsburg, Cincinnati, Chicago & St. Louis Ry.
- \*Pittsburg, Fort Wayne & Chicago Ry.
- \*Pittsburg, McKeesport & Youghiogheny R. R.
- \*Pittsburg, Shawmut & Northern R. R.
- \*Pittsburg, Youngstown & Ashtabula Ry.
- \*Pontiac, Oxford & Northern R. R.
- \*Portland & Ogdensburg Ry.
- \*Raleigh, Charlotte & Southern Ry.
- \*Reading System.
- \*Rensselaer & Saratoga R. R.
- \*Rio Grande Southern R. R.
- \*Rock Island, Arkansas & Louisiana R. R.
- \*Rutland R. R.
- \*St. Johnsbury & Lake Champlain R. R. (leased to Maine Central).
- \*St. Joseph & Grand Island Ry.
- \*St. Louis & Hannibal Ry.
- \*St. Louis & San Francisco R. R.
- \*St. Louis, Brownsville & Mexico Ry.
- \*St. Louis, Iron Mountain & Southern Ry.
- \*St. Louis, Rocky Mountain & Pacific Ry.
- \*St. Louis Southwestern Ry.
- \*St. Paul & Kansas City & Short Line R. R.
- \*San Antonio & Aransas Pass Ry.
- \*San Antonio, Uvalde & Gulf R. R.
- \*San Pedro, Los Angeles & Salt Lake R. R.
- \*Sandusky, Mansfield & Newark R. R.
- \*Sandy River & Rangeley Lakes R. R.
- \*Seaboard Air Line Ry.
- \*South Dakota Central Ry.
- \*South Pacific Coast Ry.
- \*South Western R. R.
- \*Southern Kansas Ry. of Texas.
- \*Southern Pacific Co.
- \*Southern Pacific R. R.
- \*Southern Ry.
- \*Southern Ry., Carolina Division.
- \*Spokane International Ry.
- \*Spokane, Portland & Seattle Ry.
- \*Stephenville, North and South Texas Ry.
- \*Tennessee, Alabama & Georgia R. R.
- \*Tennessee Central R. R.
- \*Terre Haute & Peoria R. R.
- \*Texas & New Orleans R. R.
- \*Texas & Pacific Ry.
- \*Texas Central R. R.
- \*Toledo & Ohio Central Ry.
- \*Toledo, Columbus & Ohio River R. R.
- \*Toledo, Peoria & Western Ry.
- \*Toledo, Saginaw & Muskegon Ry.
- \*Toledo, St. Louis & Western R. R.
- \*Tonopah & Goldfield R. R.
- \*Tonopah & Tidewater R. R.
- \*Trinity & Brazos Valley Ry.
- \*Ulster & Delaware R. R.
- \*Union Pacific R. R.
- \*United New Jersey R. R. & Canal Co.
- \*Vandalla R. R.
- \*Vicksburg, Shreveport & Pacific Ry.
- \*Virginia & Southwestern Ry.
- \*Virginian Ry.
- \*Wabash R. R.
- \*Washington Central Ry.
- \*West Jersey & Seashore R. R.
- \*West Shore R. R.
- \*Western & Atlantic R. R.
- \*Western Maryland Ry.
- \*Western New York & Pennsylvania Ry.
- \*Western Pacific Ry.
- \*Western Ry. of Alabama.
- \*Wheeling & Lake Erie R. R.
- \*Wichita Falls & Northwestern Ry.
- \*Wisconsin & Michigan Ry.
- \*Wisconsin Central Ry.
- \*Wichita Falls & Northwestern Ry.
- \*Wisconsin, Minnesota & Pacific R. R.
- \*Wrightsville & Tennille R. R.
- \*Wyoming & North Western Ry.
- \*Yazoo & Mississippi Valley R. R.

## QUESTION NO. 4.

[Total miles, 203,835.63.]

Atchison, Topeka & Santa Fe Ry	10,961.23
Atlantic Coast Line R. R.	4,061.05
Baltimore & Ohio R. R.	4,478.22
Boston & Maine R. R.	2,301.90
Central of Georgia Ry.	1,924.09
Chesapeake & Ohio Ry.	2,375.90
Chicago & Alton R. R.	1,033.48
Chicago & Eastern Illinois R. R.	1,282.41
Chicago & North Western Ry.	8,094.94
Chicago, Burlington & Quincy R. R.	9,263.86
Chicago Great Western R. R.	2,150.91
Chicago, Milwaukee & St. Paul Ry.	9,987.80
Chicago, Rock Island & Pacific Ry.	8,328.06

Chicago, St. Paul, Minneapolis & Omaha Ry.....	1, 752. 81
Cincinnati, Hamilton & Dayton Ry.....	1, 015. 27
Colorado & Southern Ry.....	1, 866. 48
Delaware, Lackawanna & Western R. R.....	442. 51
Denver & Rio Grande R. R.....	2, 585. 05
El Paso & Southwestern Co.....	1, 928. 75
Erie R. R.....	2, 257. 40
Galveston, Harrisburg & San Antonio Ry.....	1, 342. 08
Great Northern Ry.....	7, 804. 35
Hocking Valley Ry.....	351. 50
Illinois Central R. R.....	4, 768. 51
International & Great Northern Ry.....	1, 159. 50
Lake Shore & Michigan Southern Ry.....	1, 852. 97
Lehigh Valley R. R.....	1, 443. 74
Louisville & Nashville R. R.....	7, 506. 66
Maine Central R. R.....	1, 208. 84
Michigan Central R. R.....	1, 799. 74
Minneapolis & St. Louis R. R.....	1, 646. 47
Minneapolis, St. Paul & Sault Ste Marie Ry.....	4, 101. 68
Missouri, Kansas & Texas Ry.....	3, 865. 07
Missouri Pacific Ry.....	7, 284. 53
Mobile & Ohio R. R.....	1, 122. 48
Nashville, Chattanooga & St. Louis Ry.....	1, 230. 52
New York Central & Hudson River R. R.....	3, 753. 12
New York, New Haven & Hartford R. R.....	2, 003. 10
Norfolk & Western Ry.....	2, 086. 85
Northern Pacific Ry.....	6, 441. 32
Pennsylvania Co.....	5, 283. 84
Pennsylvania R. R. system.....	6, 400. 08
Pere Marquette R. R.....	2, 321. 77
Philadelphia & Reading Ry.....	
Pittsburg, Cincinnati, Chicago & St. Louis Ry.....	1, 472. 19
Reading System.....	2, 215. 69
St. Louis & San Francisco R. R.....	5, 259. 09
St. Louis, Iron Mountain & Southern Ry.....	3, 365. 12
St. Louis Southwestern Ry.....	1, 753. 80
San Pedro, Los Angeles & Salt Lake R. R.....	1, 131. 86
Seaboard Air Line Ry.....	3, 097. 55
Southern Pacific Co.....	10, 477. 00
Southern Ry.....	7, 009. 94
Texas & Pacific Ry.....	1, 884. 62
Union Pacific R. R.....	7, 777. 17
Webash R. R.....	1, 379. 30
Wisconsin Central Ry.....	1, 120. 23
Yazoo & Mississippi Valley R. R.....	1, 371. 78

QUESTION No. 5.

Abbot, George :  
 Aroostook Construction Co.  
 Abbott, Gordon :  
 Fitchburg R. R.  
 Ackerman, E. A. :  
 Central R. R. Co. of New Jersey.  
 Adams, C. F., 2d :  
 Boston & Lowell R. R.  
 Adams, Edw. D. :  
 Carolina, Clinchfield & Ohio Ry.  
 Denver & Rio Grande R. R.  
 Western Maryland Ry.  
 Adams, Fred. B. :  
 Atlantic Coast Line R. R.  
 Chicago, Indianapolis & Louisville  
 Ry.  
 Louisville & Nashville R. R.  
 Adams, H. H. :  
 Kansas City Terminal Ry.

Adams, I. G. :  
 West Jersey & Seashore R. R.  
 Adams, Karl :  
 Boston, Revere Beach & Lynn R. R.  
 Adams, Melvin O. :  
 Boston, Revere Beach & Lynn R. R.  
 Adams, Thad :  
 Georgia & Florida Ry.  
 Alles, Milton E. :  
 Seaboard Air Line Ry.  
 Ainsworth, F. K. :  
 South Pacific Coast Ry.  
 Alderman, Edwin A. :  
 Southern Ry.  
 Allen, Fredk. A. :  
 Chicago & Eastern Illinois R. R.  
 Allen, Philip :  
 Norfolk Southern R. R.

## QUESTION No. 5—Continued.

- Ames, Oliver :  
Chicago & North Western Ry.  
Chicago, St. Paul, Minneapolis &  
Omaha Ry.  
Union Pacific R. R.
- Andrews, A. B. :  
Alabama Great Southern R. R.  
Southern Ry.
- Andrews, Horace E. :  
Missouri, Kansas & Texas Ry.
- Angus, Richard B. :  
Canadian Pacific Ry.  
Minneapolis, St. Paul & Sault Ste.  
Marie Ry.
- Appleton, F. H. :  
Maine Central R. R.
- Armour, J. Ogden :  
Chicago, Milwaukee & St. Paul Ry.  
Illinois Central R. R.
- Armstrong, E. N. :  
Georgia & Pekin Union Ry.  
Toledo, Georgia & Western Ry.
- Armstrong, Geo. F. :  
Savannah & Northwestern Ry.
- Ashley, J. M. :  
Georgia & Florida Ry.
- Atkins, G. C. :  
Pittsburg, Shawmut & Northern  
R. R.
- Atterbury, W. W. :  
Baltimore, Chesapeake & Atlantic  
Ry.  
Cumberland Valley R. R.  
Long Island R. R.  
Norfolk & Western Ry.  
Northern Central Ry.  
Pennsylvania Co.  
Pennsylvania R. R.  
Philadelphia, Baltimore & Wash-  
ington R. R.  
West Jersey & Seashore R. R.  
Western New York & Pennsylvania  
Ry.
- Auchincloss, John W. :  
Illinois Central R. R.  
Yazoo & Mississippi Valley R. R.
- Austin, P. R. :  
St. Louis, Brownsville & Mexico  
Ry.
- Axtell, Decatur :  
Chesapeake & Ohio Ry.  
Hocking Valley Ry.
- Ayer, Chas. T. :  
Cripple Creek Central Ry.
- Bacon, E. R. :  
Baltimore & Ohio R. R.  
Cincinnati, Hamilton & Dayton Ry.  
Kansas City Southern Ry.
- Bacon, G. S. :  
West Jersey & Seashore R. R.
- Baird, David :  
West Jersey & Seashore R. R.
- Baker, G. F. :  
Central R. R. Co. of New Jersey.  
O., C., C. & St. Louis Ry. Co.  
Colorado & Southern Ry.  
Delaware, Lackawanna & Western  
R. R.  
Erie R. R.  
Lake Erie & Western R. R.  
Lehigh Valley R. R.  
Michigan Central R. R.  
New York Central & Hudson River  
R. R.  
New York Central R. R.  
New York, Chicago & St. Louis  
R. R.  
New York, Susquehanna & West-  
ern R. R.  
Northern Pacific Ry.  
Philadelphia & Reading Ry.  
Reading Co.  
Rutland R. R.  
Lake Shore & Michigan Southern  
Ry.
- Baker, G. F., jr. :  
Chicago, Peoria & St. Louis R. R.  
Colorado & Southern Ry.  
Delaware, Lackawanna & Western  
R. R.  
Northern Pacific Ry.
- Baldwin, A. :  
Yazoo & Mississippi Valley R. R.
- Baldwin, LeRoy W. :  
Denver & Salt Lake R. R.  
Wisconsin Central Ry.
- Ballou, M. H. :  
Wisconsin Central Ry.
- Bancroft, Joseph :  
Huntingdon & Broad Top Moun-  
tain R. R. & Coal Co.
- Bancroft, S., jr. :  
Baltimore, Chesapeake & Atlantic  
Ry. Co.  
Huntingdon & Broad Top Moun-  
tain R. R. & Coal Co.
- Bancroft, W. H. :  
San Pedro, Los Angeles & Salt  
Lake R. R.
- Banks, A. F. :  
Chicago, Lake Shore & Eastern  
Ry.  
Elgin, Joliet & Eastern Ry.
- Bannard, Otto T. :  
Detroit, Toledo & Ironton R. R.  
Co.
- Barbey, H. G. :  
Buffalo, Rochester & Pittsburg  
Ry. Co.
- Barkman, W. E. :  
Memphis, Dallas & Gulf R. R.
- Barnes, W. H. :  
Pennsylvania Co.  
Pennsylvania R. R.

## QUESTION No. 5—Continued.

- Barnes, W. H.—Continued.  
West Jersey & Seashore R. R.  
Western New York & Pennsylvania Ry. Co.
- Barney, C. D.:  
Huntingdon & Broad Top Mountain R. R. & Coal Co.
- Barney, D. Newton:  
Central New England Ry.  
New York, Ontario & Western Ry. Co.
- Barnwell, W. G.:  
Northwestern Pacific R. R.
- Barrett, Thomas, jr.:  
Georgia & Florida Ry.
- Bartlett, Frank L.:  
Western New York & Pennsylvania Ry. Co.
- Bartlett, Philip G.:  
Buffalo & Susquehanna R. R. Corp.
- Bartol, George E.:  
Western New York & Pennsylvania Ry. Co.
- Beale, Wm. G.:  
Chicago & Alton R. R.
- Beasley, John T.:  
Chicago, Terre Haute & Southeastern Ry.
- Beekman, Chas. K.  
St. Louis, Rocky Mountain & Pacific Co.
- Bell, J. S.:  
Chicago Great Western R. R.
- Belmont, August:  
Long Island R. R.  
Louisville & Nashville R. R.
- Bemis, E. L.:  
Georgia & Florida Ry.
- Benjamin, W. E.:  
Virginian Ry.
- Benson, R. D.:  
Philadelphia, Baltimore & Washington R. R.
- Bent, C. C. F.:  
Cincinnati, Hamilton & Dayton Ry.
- Bent, L. S.:  
Northern Central Ry.
- Berg, L. S.:  
New Orleans, Mobile & Chicago R. R.  
Chicago, Peoria & St. Louis R. R.
- Berger, H. W.:  
Peoria & Pekin Union Ry.
- Bernet, J. J.:  
Peoria & Pekin Union Ry.
- Berry, W. W.:  
Nashville, Chattanooga & St. Louis, R. R.
- Berwind, Edward J.:  
Atchison, Topeka & Santa Fe Ry. Co.  
Cuba R. R.  
Erie R. R.
- Berwind, Edward J.—Continued.  
New York, Susquehanna & Western R. R.  
Toledo, St. Louis & Western R. R.
- Best, Thos.:  
Kansas City, Mexico & Orient R. R.
- Bestel, O. A.:  
Illinois Southern Ry.
- Biddle, W. B.:  
New Orleans, Mobile & Chicago R. R.  
St. Louis & San Francisco R. R.
- Bierd, W. G.:  
Chicago & Alton R. R.  
Kansas City Terminal Ry. Co.  
Peoria Ry. Terminal Co.  
Terminal R. R. Association of St. Louis.
- Bihler, L. C.:  
Bessemer & Lake Erie R. R. Co.  
Pittsburg, Bessemer & Lake Erie R. R.
- Billings, Richard:  
Savannah & Northwestern Ry.
- Bingham, C. W.:  
Cleveland & Pittsburg R. R.
- Blinney, Henry P.:  
Bangor & Aroostook R. R.
- Bissell, W. A.:  
Northwestern Pacific R. R.
- Black, Harry S.:  
Missouri, Kansas & Texas Ry.  
Toledo, St. Louis & Western R. R.
- Blackburn, W. W.:  
Bessemer & Lake Erie R. R. Co.  
Pittsburg, Bessemer & Lake Erie R. R.
- Blackmer, H. M.:  
Cripple Creek Central Ry.
- Blair, C. Ledyard:  
Carolina, Clinchfield & Ohio Ry.  
Green Bay & Western R. R.
- Blair, Frank W.:  
Pere Marquette R. R. Co.
- Blair, James A.:  
Kansas City Southern Ry.  
Seaboard Air Line Ry.
- Bliss, C. N.:  
Southern Pacific Co.
- Bliss, C. W.:  
Boston & Albany R. R.
- Bliss, W. P.:  
Cleveland, Cincinnati, Chicago & St. Louis Ry. Co.  
Chicago, Milwaukee & St. Paul Ry.  
Southern Pacific Co.
- Bloss, J. O.:  
Duluth, South Shore & Atlantic Ry. Co.
- Boettcher, Chas. H.:  
Denver & Salt Lake R. R.
- Bog, W. A.:  
Duluth, South Shore & Atlantic Ry. Co.



## QUESTION No. 5—Continued.

- Boisot, E. K.:  
Chicago, Terre Haute & South-eastern Ry.  
Illinois Southern Ry.
- Bonnell, W. S.:  
Pittsburg, Youngstown & Ashtabula Ry.
- Bonner, G. T.:  
Alabama & Vicksburg Ry.  
Vicksburg, Shreveport & Pacific Ry.
- Boomer, H. A.:  
Peoria & Pekin Union Ry.
- Borden, E. B.:  
Atlantic Coast Line R. R.
- Borden, H. L.:  
Atlantic Coast Line R. R.
- Borg, Sidney C.:  
Detroit, Toledo & Ironton R. R.
- Bosworth, Charles W.:  
Boston & Maine R. R.
- Botts, L. W.:  
Louisville & Nashville R. R.  
Louisville, Henderson & St. Louis Ry.
- Bourne, F. G.:  
Central R. R. Co. of New Jersey.  
Long Island R. R.
- Boyle, R. J.:  
San Antonio & Aransas Pass Ry.
- Bracken, E. P.:  
Terminal R. R. Association of St. Louis.
- Bradley, W. C.:  
Central of Georgia Ry.
- Braithwaite, Cecil:  
Kansas City, Mexico & Orient R. R.
- Branch, John K.:  
Southern Ry. Co.
- Brewington, M. V.:  
Baltimore, Chesapeake & Atlantic Ry.
- Brewster, F. F.:  
Central New England Ry.  
New York, New Haven & Hartford R. R.
- Bright, Alfred H.:  
Minneapolis, St. Paul & Sault Ste. Marie Ry.  
Wisconsin Central Ry.
- Bringham, Edward, 5th:  
Huntingdon & Broad Top Mountain R. R. & Coal Co.
- Britton, F. H.:  
St. Louis Southwestern Ry.  
Terminal R. R. Association of St. Louis.
- Bronner, Harry:  
Cincinnati, Hamilton & Dayton Ry.  
Colorado & Southern Ry.
- Brooks, Walter B.  
Maryland & Pennsylvania R. R.
- Broughton, Urban H.  
Virginian Ry.
- Brown, Alex.:  
Maryland & Pennsylvania R. R.
- Brown, Clarence:  
Chesapeake & Ohio Ry.  
Hocking Valley Ry.
- Brown, E. L.:  
Denver & Rio Grande R. R.
- Brown, Elisha R.:  
Concord & Montreal R. R.  
Maine Central R. R.
- Brown, F. Q.:  
Georgia & Florida Ry.  
Seaboard Air Line Ry.
- Brown, F. V.:  
Spokane, Portland & Seattle Ry.
- Brown, James:  
Bangor & Aroostook R. R.
- Brown, J. E.:  
Canada Southern Ry.
- Brown, J. H.:  
Gulf & Ship Island R. R.
- Brown, John Wilson:  
Maryland & Pennsylvania R. R.
- Brown, T. A.:  
Louisiana & Arkansas Ry.
- Brown, W. C.:  
Louisiana & Arkansas Ry.
- Brown, W. W.:  
Memphis, Dallas & Gulf R. R.
- Brownell, G. F.:  
New York, Susquehanna & Western R. R.
- Brunner, Henry:  
Missouri, Oklahoma & Gulf Ry.
- Buchanan, J. A.:  
Louisiana & Arkansas Ry.
- Buchanan, Robert:  
Louisiana & Arkansas Ry.
- Buchanan, Wm.:  
Louisiana & Arkansas Ry.
- Buchanan, W. J.:  
Louisiana & Arkansas Ry.
- Buckland, E. G.:  
Central New England Ry.
- Budd, R.:  
Spokane, Portland & Seattle Ry.
- Bull, Frederic:  
Norfolk Southern R. R.
- Bull, Henry W.:  
Cuba R. R.
- Bullock, A. G.:  
Boston & Albany R. R.
- Burguleres, Jules M.:  
New Orleans, Texas & Mexico R. R.
- Burke, T. C.:  
Georgia Southern & Florida Ry.
- Burke, W. P.:  
New Orleans & North Eastern R. R.  
Quannah, Acme & Pacific Ry.
- Burr, Geo. H.:  
Denver & Salt Lake R. R.

QUESTION No. 5—Continued.

Bush, A. P.:  
Mobile & Ohio R. R.  
Bush, B. F.:  
Denver & Rio Grande R. R.  
Bush, S. P.:  
Chesapeake & Ohio Ry.  
Hocking Valley Ry.  
Butler, J. G., jr.:  
Pittsburg, Youngstown & Ashtabula Ry.  
Butler, W. R.:  
Lehigh Valley R. R.  
Buttorff, H. W.:  
Nashville, Chattanooga & St. Louis Ry.  
Byram, H. E.:  
Colorado & Southern Ry.  
Byrd, A. A.:  
San Antonio, Uvalde & Gulf R. R.  
Cabot, Henry B.:  
Boston & Lowell R. R.  
Cadwallader, Edward:  
Huntingdon & Broad Top Mountain R. R. & Coal Co.  
Caldwell, John D.:  
Chicago, St. Paul, Minneapolis & Omaha Ry.  
Calloway, Trowbridge:  
Colorado, Wyoming & Eastern Ry.  
Campbell, Benjamin:  
New York, New Haven & Hartford R. R.  
Campbell, Geo. H.:  
Cincinnati, Hamilton & Dayton Ry.  
Kentucky & Indiana Terminal R. R.  
Campbell, R. W.:  
Elgin, Joliet & Eastern Ry.  
Caner, Harrison K.:  
Huntingdon & Broad Top Mountain R. R. & Coal Co.  
Canniff, W. H.:  
New York, Chicago & St. Louis R. R.  
Capps, Charles R.:  
Seaboard Air Line Ry.  
Carleton, Murray:  
St. Louis & San Francisco R. R.  
St. Louis Southwestern Ry.  
Carpenter, Frank P.:  
Boston & Maine R. R.:  
Concord & Montreal R. R.  
Carpenter, N. J.:  
Chicago, Terre Haute & South-eastern Ry.  
Carr, C. M.:  
Chicago Great Western R. R.  
Carr, Samuel:  
Boston & Maine R. R.:  
Carstensen, John:  
Peoria & Pekin Union Ry.  
Carter, Geo. L.:  
Carolina, Clinchfield & Ohio Ry.

Carter, S. F.:  
Houston & Texas Central R. R.  
Cary, Guy:  
Chicago, Indianapolis & Louisville Ry.  
Mobile & Ohio R. R.  
Virginia & Southwestern Ry.  
Chadbourne, T. L., jr.:  
Norfolk Southern R. R.  
Cheney, Benj. F.:  
St. Louis & San Francisco R. R.  
Cheney, B. P.:  
Atchison, Topeka & Santa Fe Ry.  
Cheston, Radcliffe, jr.:  
Buffalo & Susquehanna R. R. Corp.  
Chew, W. B.:  
Houston & Texas Central R. R.  
Chisholm, Hugh J.:  
Maine Central R. R.  
Church, George H.:  
Duluth, South Shore & Atlantic Ry.  
Clark, A. E.:  
Central New England Ry.  
Clark, J. Ross:  
San Pedro, Los Angeles & Salt Lake R. R.  
Clark, Jas. T.:  
Chicago, St. Paul, Minneapolis & Omaha Ry.  
Clark, L. L.:  
Norfolk Southern R. R.  
Clark, W. A.:  
San Pedro, Los Angeles & Salt Lake R. R.  
Clarke, R. D.:  
Peoria Ry. Terminal Co.  
Clayton, Powell:  
Missouri & North Arkansas R. R.  
Clement, P. W.:  
Rutland R. R.  
Clements, W. L.:  
Pere Marquette R. R.  
Clemson, D. M.:  
Bessemer & Lake Erie R. R.  
Pittsburg, Bessemer & Lake Erie R. R.  
Close, E. N. B.:  
Seaboard Air Line Ry.  
Clothier, Morris L.:  
Lehigh Valley R. R.  
Clough, W. P.:  
Chicago, Burlington & Quincy R. R.  
Colorado & Southern Ry.  
Northern Pacific Ry.  
Clowry, R. C.:  
Texas & Pacific Ry.  
Clyde, Wm. P.:  
Lehigh Valley R. R.  
Cobb, Wm. T.:  
Maine Central R. R.

## QUESTION No. 5—Continued.

- Coe, T. U.:  
     Bangor & Aroostook R. R.  
 Coe, W. R.:  
     Virginian Ry.  
 Cohen, H. L.:  
     Oklahoma Central R. R.  
 Coffin, Edmund:  
     El Paso & Southwestern Co.  
 Cole, W. R.:  
     Nashville, Chattanooga & St. Louis Ry.  
 Colgate, Jas., Co.:  
     Seaboard Air Line Ry.  
 Colgate, R. R.:  
     Norfolk Southern R. R.:  
 Collier, N. C.:  
     Nashville, Chattanooga & St. Louis Ry.  
 Colpitts, W. W.:  
     Kansas City, Mexico & Orient R. R.  
 Comer, E. T.:  
     Savannah & Northwestern Ry.  
 Comstock, W. H.:  
     San Pedro, Los Angeles & Salt Lake R. R.  
 Conover, C. H.:  
     Chicago Great Western R. R.  
 Cook, Charles Sumner:  
     Boston & Maine R. R.  
 Cook, Fred. W.:  
     International & Great Northern Ry.  
 Cooke, R. B.:  
     New York, Philadelphia & Norfolk R. R.  
 Cooke, W. P.:  
     New Orleans Great Northern R. R.  
 Cooper, Henry E.:  
     Texas & Pacific Ry.  
     Wabash R. R.  
     Western Maryland Ry.  
 Coppel, Arthur:  
     Cuba R. R.  
     Denver & Rio Grande R. R.  
 Corey, W. E.:  
     Norfolk Southern R. R.  
 Cotting, Chas. E.:  
     Boston & Lowell R. R.  
 Cottingham, G. R.:  
     Galveston, Harrisburg & San Antonio Ry.  
 County, A. J.:  
     Baltimore, Chesapeake & Atlantic Ry.  
     Cumberland Valley R. R.  
     Long Island R. R.  
     New York, Philadelphia & Norfolk R. R.  
     Northern Central Ry.  
     Philadelphia, Baltimore & Washington R. R.  
     West Jersey & Seashore R. R.  
     Western New York & Pennsylvania R. R.
- Couzens, Jas.:  
     Kansas City, Mexico & Orient R. R.  
 Cox, C. W.:  
     Green Bay & Western R. R.  
 Cox, J. D.:  
     Cleveland & Pittsburg R. R.  
 Cox, R. M.:  
     Nevada-California-Oregon Ry.  
 Cox, W. R.:  
     Georgia Southern & Florida Ry.  
 Coxe, Henry B.:  
     Lehigh Valley R. R.  
 Coykendall, E.:  
     Ulster & Delaware R. R.  
 Coykendall, Frank:  
     Ulster & Delaware R. R.  
 Coykendall, Frederick:  
     Ulster & Delaware R. R.  
 Coykendall, H. S.:  
     Ulster & Delaware R. R.  
 Coykendall, Thos. C.:  
     Ulster & Delaware R. R.  
 Crandall, W. S.:  
     Missouri, Kansas & Texas Ry.  
 Crane, B. D.:  
     Midland Valley R. R.:  
 Crane, W. Murray:  
     New York, New Haven & Hartford R. R.  
 Crane, Zenas:  
     Boston & Albany R. R.  
     Chicago & North Western Ry.  
     Chicago, St. Paul, Minneapolis & Omaha Ry.  
 Crary, Jerry:  
     New Orleans Great Northern R. R.  
 Crawford, W. W.:  
     Alabama Great Southern R. R.  
 Cray, Robert:  
     Quannah, Acme & Pacific Ry. -  
 Creelman, A. R.:  
     Canadian Pacific Ry.  
 Crocker, Alvah:  
     Fitchburg R. R.  
 Crocker, Chas. T.:  
     Fitchburg R. R.  
 Crosby, Geo. H.:  
     Peoria Ry. Terminal Co.  
 Cross, W. R.:  
     Carolina, Atlanta & Western Ry.  
     Chicago & Eastern Illinois R. R.  
 Croxton, S. W.:  
     Cleveland & Pittsburg R. R.  
 Cullinan, J. S.:  
     Texas & New Orleans R. R.  
 Cunningham, Henry V.:  
     Boston, Revere Beach & Lynn R. R.  
 Cunningham, J. M.:  
     St. Louis, Rocky Mountain & Pacific Co.  
 Curran, D. D.:  
     Alabama & Vicksburg Ry.  
     New Orleans & Northeastern R. R.  
     New Orleans Terminal Co.

## QUESTION No. 5—Continued.

Curran, D. D.—Continued.

Vicksburg, Shreveport &amp; Pacific Ry.

Curran, Geo. A.:

Maine Central R. R.

Cuyler, T. De Witt:

Atchison, Topeka &amp; Santa Fe Ry.

Long Island R. R.

New York, New Haven &amp; Hartford R. R.

New York, Ontario &amp; Western Ry.

Pennsylvania R. R.

Rutland R. R.

Western New York &amp; Pennsylvania Ry.

Danforth, W. A.:

Bangor &amp; Aroostook R. R.

Dargan, Geo. E.:

Carolina, Atlantic &amp; Western Ry.

Darlington, H.:

Cleveland &amp; Pittsburg R. R.

Grand Rapids &amp; Indiana Ry.

Pittsburg, Youngstown &amp; Ashtabula Ry.

Darlow, Edw. R.:

Buffalo &amp; Susquehanna R. R. Corp.

Davies, G. W.:

Kansas City, Clinton &amp; Springfield Ry.

Davis, B. F.:

Pere Marquette R. R.

Davis, F. H.:

Chesapeake &amp; Ohio Ry.

Hocking Valley Ry.

Minneapolis &amp; St. Louis R. R.

Missouri, Kansas &amp; Texas Ry.

Pittsburg, Shawmut &amp; Northern R. R.

Toledo, St. Louis &amp; Western R. R.

Davis, H. G.:

Coal &amp; Coke Ry.

Davis, J. L.:

New Orleans Great Northern R. R.

Davis, J. M.:

Cincinnati, New Orleans &amp; Texas Pacific Ry.

Terminal R. R. Association of St. Louis.

Davis, J. T.:

Coal &amp; Coke Ry.

Davis, L.:

Boston &amp; Albany R. R.

Dawes, C. M.:

Chicago, Burlington &amp; Quincy R. R.

Toledo, Peoria &amp; Western R. R.

Day, Arthur:

Missouri, Oklahoma &amp; Gulf Ry.

Day, Henry B.:

Boston &amp; Maine R. R.

Dean, A. D.:

Mississippi Central R. R.

Dean, Herbert H.:

Buffalo &amp; Susquehanna R. R. Corp.

De Forest, Henry W.:

Delaware &amp; Hudson Co.

Galveston, Harrisburg &amp; San Antonio Ry.

Houston &amp; Texas Central R. R.

Illinois Central R. R.

Morgan's Louisiana &amp; Texas R. R. &amp; S. S. Co.

Southern Pacific Co.

Texas &amp; New Orleans R. R.

De Forest, Robt. W.:

Central R. R. Co. of New Jersey.

Lehigh &amp; Hudson River Ry.

De Gersdorff, Carl A.:

St. Louis, Brownsville &amp; Mexico Ry.

Delano, F. A.:

Chicago &amp; Western Indiana R. R.

Delano, Warren:

Atlantic Coast Line R. R.

Louisville &amp; Nashville R. R.

Dennis, John B.:

Carolina, Clinchfield &amp; Ohio Ry.

Depew, C. M.:

Canada Southern Ry.

Chicago &amp; Northwestern Ry.

Chicago, St. Paul, Minneapolis &amp; Omaha Ry.

Cleveland, Cincinnati, Chicago &amp; St. Louis Ry.

Delaware &amp; Hudson Co.

Michigan Central R. R.

New York Central R. R.

New York Central &amp; Hudson River R. R.

New York, Chicago &amp; St. Louis R. R.

Lake Shore &amp; Michigan Southern Ry.

d'Erlanger, Baron Emile Beaumont:

Alabama, New Orleans, Texas &amp; Pacific Junction Rys. Co. (Ltd.).

Dewar, W. P.:

Missouri, Oklahoma &amp; Gulf Ry.

Dexter, Philip:

Boston &amp; Lowell R. R.

Dickinson, Edw.:

Kansas City, Mexico &amp; Orient R. R.

Dickinson, W. J.:

Louisville &amp; Nashville R. R.

New Orleans, Mobile &amp; Chicago R. R.

Dickson, Samuel:

Reading Co.

Dinkey, A. C.:

Pittsburg, Bessemer &amp; Lake Erie R. R.

Dixon, Geo. D.:

Baltimore, Chesapeake &amp; Atlantic Ry.

Cumberland Valley R. R.

Lehigh &amp; Hudson River Ry.

Long Island R. R.

Northern Central Ry.

## QUESTION No. 5—Continued.

- Dixon, Geo. D.—Continued.  
 Pennsylvania R. R.  
 Philadelphia, Baltimore & Wash-  
 ington R. R.  
 West Jersey & Seashore R. R.
- Dixon, R. B.:  
 Baltimore, Chesapeake & Atlantic  
 Ry.
- Doan, A. C.:  
 Minneapolis & St. Louis R. R.
- Dodge, Cleveland H.:  
 El Paso & Southwestern Co.
- Dodson, C. W.:  
 Memphis, Dallas & Gulf R. R.
- Doherty, James L.:  
 Boston & Maine R. R.
- Donham, Wallace B.:  
 Carolina, Clinchfield & Ohio Ry.
- Donnell, J. J.:  
 Pittsburgh & Lake Erie R. R.
- Donovan, W. O.:  
 Georgia & Florida Ry.
- Doran, Joseph I.:  
 Norfolk & Western Ry.
- Dorchester, C. B.:  
 Quanaah, Acme & Pacific Ry.
- Douglas, Alex.:  
 St. Louis & San Francisco R. R.
- Douglas, James:  
 El Paso & Southwestern Co.
- Douglas, Walter:  
 El Paso & Southwestern Co.
- Drake, F. H.:  
 Louisiana & Arkansas Ry.
- Dresser, H. L.:  
 Duluth, Missabe & Northern Ry.
- Drew, Frank:  
 Florida East Coast Ry.
- Drew, George L.:  
 Florida East Coast Ry.
- Duer, B. W.:  
 Georgia & Florida Ry.
- Dufour, W. C.:  
 New Orleans Terminal Co.  
 New Orleans, Texas & Mexico R. R.
- Dumaine, Frederic C.:  
 Boston & Maine R. R.
- Duncan, E. C.:  
 Norfolk Southern R. R.
- Dunlap, C. K.:  
 Galveston, Harrisburg & San An-  
 tonio Ry.
- Dunne, Edward F.:  
 Illinois Central R. R.
- Dunsmuir, James:  
 Canadian Pacific Ry.
- Du Puy, Raymond:  
 Virginian Ry.
- Durban, F. A.:  
 Cleveland, Akron & Cincinnati Ry.
- Durden, F. R.:  
 Georgia & Florida Ry.
- Duval, H. Rieman:  
 Atchison, Topeka & Santa Fe Ry.
- Earling, A. J.:  
 Chicago, Milwaukee & St. Paul Ry.  
 Indiana Harbor Belt R. R.  
 Union Pacific R. R.
- Earp, J. B.:  
 Quanaah, Acme & Pacific Ry.
- Eastman, Edwin G.:  
 Boston & Maine R. R.
- Eaton, B. E.:  
 Gulf & Ship Island R. R.
- Ecker, Fred H.:  
 Detroit, Toledo & Ironton R. R.
- Edson, J. A.:  
 Kansas City Southern Ry.  
 Kansas City Terminal Ry.
- Edwards, T. O.:  
 Central Pacific Ry.
- Eldredge, A. B.:  
 Duluth, South Shore & Atlantic Ry.
- Elkins, Davis:  
 Coal & Coke Ry.
- Elliott, Howard:  
 Central New England Ry.  
 New York, New Haven & Hart-  
 ford R. R.  
 New York, Ontario & Western Ry.  
 Rutland R. R.
- Ellis, J. H.:  
 Louisville, Henderson & St. Louis  
 Ry.  
 New Orleans, Mobile & Chicago  
 R. R.
- Ellis, Rudolph:  
 New York, Philadelphia & Nor-  
 folk R. R.  
 Pennsylvania R. R.
- Ellyson, J. Taylor:  
 Richmond, Fredericksburg & Po-  
 tomac R. R.
- Endicott, William C.:  
 Boston & Lowell R. R.
- Engel, E. J.:  
 St. Louis, Rocky Mountain &  
 Pacific Ry.
- English, J. W.:  
 Atlanta & West Point R. R.  
 Central of Georgia Ry.
- Erb, Newman:  
 Denver & Salt Lake R. R.  
 Minneapolis & St. Louis R. R.
- Evans, Henry T.:  
 Kentucky & Indiana Terminal  
 R. R.
- Evans, J. H.:  
 Savannah & Northwestern Ry.
- Fahnestock, H. C.:  
 Delaware, Lackawanna & Western  
 R. R.
- Fahnestock, William:  
 Delaware, Lackawanna & Western  
 R. R.
- Fall, J. H.:  
 Nashville, Chattanooga & St. Louis  
 Ry.

## QUESTION No. 5—Continued.

- Fargo, J. C.:  
     Chicago & North Western Ry.  
 Farlee, Jacob S.:  
     Buffalo & Susquehanna R. R.  
 Farnum, C. S.:  
     Huntingdon & Broad Top Mountain R. R. & Coal Co.  
 Farrell, J. A.:  
     Chicago, Lake Shore & Eastern Ry.  
     Elgin, Joliet & Eastern Ry.  
 Farwell, J. V.:  
     Chicago & North Western Ry.  
 Fay, Thornwell:  
     Morgan's Louisiana & Texas R. R.  
     & S. S. Co.  
     Texas & New Orleans R. R.  
 Febiger, C. C.:  
     Philadelphia, Baltimore & Washington R. R.  
 Fell, H. E.:  
     St. Louis, Rocky Mountain & Pacific Ry.  
 Felton, Samuel M.:  
     Chicago Great Western R. R.  
     Kansas City Terminal Ry.  
     Pere Marquette R. R.  
 Fenley, Oscar:  
     Louisville, Henderson & St. Louis Ry.  
 Fenno, John A.:  
     Boston, Revere Beach & Lynn R. R.  
 Ferguson, J. G.:  
     Louisiana & Arkansas Ry.  
 Ferguson, Walton:  
     Detroit & Mackinac Ry.  
 Field, E. C.:  
     Chicago, Indianapolis & Louisville Ry.  
 Field, J. S.:  
     Chicago, Indiana & Southern R. R.  
     Chicago, Terre Haute & South-eastern Ry.  
     Peoria & Eastern Ry.  
 Field, Stanley:  
     Chicago, Milwaukee & St. Paul Ry.  
 Filbert, W. J.:  
     Duluth, Missabe & Northern Ry.  
     Elgin, Joliet & Eastern Ry.  
 Fink, D. N.:  
     Missouri, Oklahoma & Gulf Ry.  
 Finkbine, E. C.:  
     Chicago Great Western R. R.  
 Fish, Stuyvesant:  
     Missouri, Kansas & Texas Ry.  
 Fisher, H. C.:  
     Atlanta & West Point R. R.  
 Fitch, W. F.:  
     Duluth, South Shore & Atlantic Ry.  
     Wisconsin Central Ry.  
 Fitzgerald, John:  
     Terminal R. R. Association of St. Louis.  
 Fitzhugh, W. H.:  
     Yazoo & Mississippi Valley R. R.
- Fleming, Sir Sanford:  
     Canadian Pacific Ry.  
 Follansbee, M. B.:  
     Erie R. R.  
 Forsyth, Harry:  
     Detroit, Toledo & Ironton R. R.  
 Fordyce, S. W.:  
     Kansas City Southern Ry.  
     St. Louis & San Francisco R. R.  
 Foster, R.:  
     Boston & Albany R. R.  
 Fowler, Thomas P.:  
     Atchison, Topeka & Santa Fe Ry.  
     Lehigh & Hudson River Ry.  
 Fox, F. C.:  
     St. Louis, Rocky Mountain & Pacific Ry.  
 Foy, C. E.:  
     Norfolk Southern R. R.  
 Francis, D. R.:  
     Missouri & North Arkansas R. R.  
 Frank, Edwin M.:  
     Savannah & Northwestern Ry.  
 Frank, Solomon:  
     Maryland & Pennsylvania R. R.  
 Franklin, J. E.:  
     San Antonio, Uvalde & Gulf R. R.  
 Franklin, Lewis B.:  
     Colorado, Wyoming & Eastern Ry.  
 Franks, R. A.:  
     Bessemer & Lake Erie R. R.  
     Pittsburg, Bessemer & Lake Erie R. R.  
 Frazier, F. P.:  
     Minneapolis & St. Louis R. R.  
     Missouri, Kansas & Texas, Ry.  
     Toledo, St. Louis & Western Ry.  
 Frazier, George H.:  
     Lehigh & Hudson River Ry.  
 Freeman, J. W.:  
     Missouri & North Arkansas R. R.  
 Freeman, Thomas J.:  
     International & Great Northern Ry.  
     Texas & Pacific Ry.  
 French, Amos, T.:  
     Northern Pacific Ry.  
 Frew, W. N.:  
     Pittsburg, Bessemer & Lake Erie R. R.  
 Frick, H. C.:  
     Atchison, Topeka & Santa Fe Ry.  
     Chicago & North Western Ry.  
     Norfolk & Western Ry.  
     Pennsylvania R. R.  
     Philadelphia & Reading Ry.  
     Reading Co.  
 Frost, Frederic W.:  
     Pittsburg, Shawmut & Northern R. R.  
 Fryer, Robert L.:  
     Western New York & Pennsylvania Ry.  
 Fuller, E. C.:  
     Kanawha & Michigan Ry.

## QUESTION No. 5—Continued.

- Fuller, S. L.:  
Seaboard Air Line Ry.  
Virginian Ry.
- Gage, Carl M.:  
Huntingdon & Broad Top Mountain R. R. & Coal Co.
- Gaines, M. W.:  
Aroostook Construction Co.
- Gallaway, R. M.:  
Chicago, Indianapolis & Louisville Ry.  
St. Louis Southwestern Ry.<sup>1</sup>  
Southern Ry.  
Texas & Pacific Ry.  
Wabash R. R.
- Gardiner, R. H.:  
Boston & Albany R. R.
- Gardner, Wm. A.:  
Chicago & North Western Ry.  
Chicago, St. Paul, Minneapolis & Omaha Ry.  
Indiana Harbor Belt R. R.  
Peoria & Pekin Union Ry.
- Garrett, Robert:  
Baltimore & Ohio R. R.
- Garrett, W. A.:  
Pere Marquette R. R.
- Gary, E. H.:  
Bessemer & Lake Erie R. R.  
Chicago, Lake Shore & Eastern Ry.  
Elgin, Joliet & Eastern Ry.  
Erie R. R.  
Pittsburg, Bessemer & Lake Erie R. R.
- Gates, Frederick T.:  
Western Maryland Ry.
- Geddes, Donald G.:  
Chicago, Milwaukee & St. Paul Ry.
- Gibbs, C. C.:  
Galveston, Harrisburg & San Antonio Ry.
- Gibson, N. A.:  
Oklahoma Central R. R.
- Gilbert S. C.:  
Cumberland Valley R. R.
- Gillett, L. M.:  
New York, Ontario & Western Ry.
- Gilman, L. C.:  
Spokane, Portland & Seattle Ry.
- Given, T. H.:  
Pittsburg, Bessemer & Lake Erie R. R.
- Gleed, Chas. S.:  
Atchison, Topeka & Santa Fe Ry.
- Glennon, E. T.:  
Chicago, Indiana & Southern R. R.  
Peoria & Eastern Ry.
- Godfrey, Lincoln:  
Pennsylvania R. R.
- Godchaux, F. A.:  
Morgan's Louisiana & Texas R. R. & S. S. Co.
- Goelet, Robert:  
Southern Pacific Co.  
Wabash R. R.
- Goelet, Robert W.:  
Illinois Central R. R.  
Union Pacific R. R.  
Yazoo & Mississippi Valley R. R.
- Goodbody, Thomas B.:  
Savannah & Northwestern Ry.
- Goodyear, A. C.:  
New Orleans Great Northern R. R.
- Gordon, W. F.:  
Missouri & North Arkansas R. R.
- Gortner, William E.:  
St. Louis, Rocky Mountain & Pacific Ry.
- Gould, Claude W.:  
Pittsburg, Shawmut & Northern R. R.
- Gould, Edwin:  
Colorado Midland Ry.  
St. Louis Southwestern Ry.  
Texas & Pacific Ry.
- Gould, Frank J.:  
International & Great Northern Ry.  
Texas & Pacific Ry.
- Gould, George J.:  
Denver & Rio Grande R. R.  
Texas & Pacific Ry.  
Wabash R. R.  
Western Maryland Ry.
- Gould, Howard:  
Texas & Pacific Ry.
- Gould, Kingdon:  
Denver & Rio Grande R. R.  
International & Great Northern Ry.  
Texas & Pacific Ry.
- Gould, W. T.:  
Nevada-California-Oregon Ry.
- Gowen, F. I.:  
Midland Valley R. R.
- Graham, C. E.:  
Chesapeake & Ohio Ry.  
Hocking Valley Ry.
- Granbery, E. C.:  
Midland Valley R. R.
- Grant, John W.:  
Southern Ry.
- Graves, Henry, jr.:  
Central R. R. Co. of New Jersey.
- Gray, Carl R.:  
Western Maryland Ry.
- Green, F. W.:  
Louisiana & Arkansas Ry.
- Green, J. P.:  
Cleveland & Pittsburg R. R.  
Cumberland Valley R. R.  
Fort Wayne & Chicago Ry.  
Long Island R. R.  
New York, Philadelphia & Norfolk R. R.  
Norfolk & Western Ry.  
Pennsylvania Co.  
Pennsylvania R. R.  
Philadelphia, Baltimore & Washington R. R.

QUESTION No. 5—Continued.

Green, J. P.—Continued.

Vandalla R. R.

West Jersey & Seashore R. R.

Western New York & Pennsylvania Ry.

Greene, Jerome D.:

Western Maryland Ry.

Grleg, A. S.:

St. Louis & San Francisco R. R.

Gesham, T. B.:

Georgia Southern & Florida Ry.

Grier, T. A.:

Peoria Ry. Terminal Co.

Grim, W. R.:

Louisiana & Arkansas Ry.

Grimston, Viscount:

Alabama, New Orleans, Texas, &

Pacific Junction Rys. Co. (Ltd.).

Grisch, Oscar:

Buffalo, Rochester & Pittsburgh Ry.

Griswold, B. H., jr.:

Maryland & Pennsylvania R. R.

Groff, Robert H.:

Richmond-Washington Co.

Gross, H. J.:

Norfolk Southern R. R.

Guinness, B. S.:

Kansas City Southern Ry.

Hackney, Leonard J.:

Cleveland, Cincinnati, Chicago & St. Louis Ry.

New York Central R. R.

Hadley, Arthur T.:

New York, New Haven & Hartford R. R.

Haff, D. J.:

Kansas City, Mexico & Orient R. R.

Hale, Arthur H.:

Concord & Montreal R. R.

Hall, Charles P.:

Boston & Maine R. R.

Hall, Henry:

Mobile & Ohio R. R.

Hall, H. F.:

Kansas City, Mexico & Orient R. R.

Halsall, W. F.:

Boston, Revere Beach & Lynn R. R.

Hamilton, Alexander:

Atlantic Coast Line R. R.

Louisville & Nashville R. R.

Richmond, Fredericksburg & Potomac R. R.

Hamilton, Charles:

Nevada-California-Oregon Ry.

Hamilton, T. B.:

Terminal R. R. Association of St. Louis.

Hamilton William P.:

Erie R. R.

New York, Susquehanna & Western R. R.

Hamlin, C. C.:

Cripple Creek Central Ry.

Hancock, J. D.:

Pittsburgh, Youngstown & Ash-tabula Ry.

Hand, D. B.:

Mississippi Central R. R.

Hannaford, J. M.:

Chicago, Burlington & Quincy R. R.

Northern Pacific Ry.

Spokane, Portland & Seattle Ry.

Harrahan, W. J.:

Richmond, Fredericksburg & Potomac R. R.

Richmond-Washington Co.

Seaboard Air Line Ry.

Harding, J. H.:

Central New England Ry.

New York, New Haven & Hartford R. R.

Southern Pacific Co.

Wabash R. R.

Harkness, C. W.:

Chicago, Milwaukee & St. Paul Ry.

Southern Pacific Co.

Harriman, J. W.:

Norfolk Southern R. R.

Harriman, W. Averell:

Baltimore & Ohio R. R.

Illinois Central R. R.

Union Pacific R. R.

Harris, B. H.:

Chicago, Milwaukee & Gary Ry.

Harris, George B.:

Chicago, Burlington & Quincy R. R. Colorado & Southern Ry.

Harris, John F.:

St. Louis & San Francisco R. R.

Harrison, C. C.:

Philadelphia & Reading Ry.

Reading Co.

Harrison, Fairfax:

Alabama Great Southern R. R.

Chicago, Indianapolis & Louisville Ry.

Cincinnati, New Orleans & Texas Pacific Ry.

Georgia Southern & Florida Ry.

Mobile & Ohio R. R.

Richmond, Fredericksburg & Potomac R. R.

Richmond-Washington Co.

Southern Ry.

Virginia & Southwestern Ry.

Hart, L. S.:

New Orleans Great Northern R. R.

Harvey, W. V.:

Alabama & Vicksburg Ry.

Hawks, James D.:

Detroit & Mackinac Ry.

Hebden, R. Y.:

Duluth, South Shore & Atlantic Ry.



## QUESTION No. 5—Continued.

- Hellner, Samuel:  
     Colorado, Wyoming & Eastern Ry.  
 Heitman, F. A.:  
     Houston & Texas Central R. R.  
 Helm, John L.:  
     Louisville, Henderson & St. Louis Ry.  
 Hemingway, J. S.:  
     Central New England Ry.  
 Hemingway, W. L.:  
     Missouri & North Arkansas R. R.  
 Hemphill, A. J.:  
     St. Louis Southwestern Ry.  
 Henderson, C. C.:  
     Memphis, Dallas & Gulf R. R.  
 Hendley, C. M.:  
     Coal & Coke Ry.  
 Henry, John J.:  
     Western New York & Pennsylvania Ry.  
 Herbert, J. M.:  
     Colorado, Wyoming & Eastern Ry.  
 Herrin, William F.:  
     Central Pacific Ry.  
     Northwestern Pacific R. R.  
     South Pacific Coast Ry.  
 Heuermann, George W.:  
     San Antonio & Aransas Pass Ry.  
 Hewitt, Erskine:  
     St. Louis, Rocky Mountain & Pacific Co.  
 Hlester, Isaac:  
     Reading Co.  
 Higgins, R. H.:  
     Mississippi Central R. R.  
 Higginson, Francis L.:  
     Boston & Lowell R. R.  
 Hill, James J.:  
     Colorado & Southern Ry.  
 Hill, James N.:  
     Colorado & Southern Ry.  
     Northern Pacific Ry.  
 Hill, L. W.:  
     Chicago, Burlington & Quincy R. R.  
 Hillard, C. W.:  
     New Orleans, Mobile & Chicago R. R.  
 Hine, F. L.:  
     Rock Island Co.  
     Chicago, Rock Island & Pacific Ry.  
 Hines, Walker D.:  
     Atchison, Topeka & Santa Fe Ry.  
 Hitch, R. M.:  
     Savannah & Northwestern Ry.  
 Holden, Hale:  
     Chicago, Burlington & Quincy R. R.  
     Colorado & Southern Ry.  
     Kansas City Terminal Ry.  
     Toledo, Peoria & Western Ry.  
 Holland, W. P.:  
     Yazoo & Mississippi Valley R. R.
- Holt, Charles S.:  
     Chicago & Eastern Illinois R. R.  
 Holt, Herbert S.:  
     Canadian Pacific Ry.  
 Hood, William:  
     Canadian Pacific Ry.  
 Hopkins, Guy:  
     Morgan's Louisiana & Texas R. R. & S. S. Co.  
 Hopkins, W. R.:  
     Cleveland Short Line Ry.  
 Horan, James F.:  
     Atlanta, Birmingham & Atlantic R. R.  
 Horton, W. S.:  
     Peoria & Pekin Union Ry.  
 Hosmer, Charles R.:  
     Canadian Pacific Ry.  
 Hoachkiss, C. W.:  
     Virginian Ry.  
 Houston, A. W.:  
     San Antonio & Aransas Pass Ry.  
 Howard, A. R.:  
     International & Great Northern Ry.  
 Howard, A. W.:  
     Chicago, Terre Haute & South-eastern Ry.  
 Howard, R. H.:  
     New Orleans Great Northern R. R.  
 Howell, John W.:  
     Midland Valley R. R.  
 Hoyt, James H.:  
     Hocking Valley Ry.  
 Hubbard, Thomas H.:  
     Toledo, St. Louis & Western R. R.  
     Wabash R. R.  
 Hudson, R. N.:  
     Louisville, Henderson & St. Louis Ry.  
 Huffer, J. C., jr.:  
     Georgia & Florida Ry.  
 Hughart, J. H. P.:  
     Grand Rapids & Indiana Ry.  
 Hughitt, Marvin:  
     Chicago & North Western Ry.  
     Chicago, St. Paul, Minneapolis & Omaha Ry.  
     Indiana Harbor Belt R. R.  
     Michigan Central R. R.  
     New York Central & Hudson River R. R.  
     New York Central R. R.  
     New York, Chicago & St. Louis R. R.  
     Union Pacific R. R.  
     Lake Shore & Michigan Southern Ry.  
 Humphrey, Alex P.:  
     Kentucky & Indiana Terminal R. R.  
 Hunter, John H.:  
     Savannah & Northwestern Ry.

## QUESTION No. 5—Continued.

- Huntington, F. R.:  
     Hocking Valley Ry.  
 Huntington, H. E.:  
     Chesapeake & Ohio Ry.  
     Hocking Valley Ry.  
     Minneapolis & St. Louis R. R.  
     Missouri, Kansas & Texas Ry.  
     Southern Pacific Co.  
     Toledo, St. Louis & Western R. R.  
 Huntsman, O. B.:  
     Texas & Pacific Ry.  
 Hurdle, Frederick:  
     Kansas City, Mexico & Orient R. R.  
 Hurley, E. N.:  
     Chicago Great Western R. R.  
 Hurst, W. C.:  
     Peoria & Pekin Union Ry.  
 Hustis, James H.:  
     Boston & Maine R. R.  
 Hutchins, C.:  
     Colorado, Wyoming & Eastern Ry.  
 Hutchins, J. C.:  
     Illinois Southern Ry.  
 Hutchinson, J. B.:  
     Baltimore, Chesapeake & Atlantic Ry.  
 Hyams, G. M.:  
     Virginian Ry.  
 Hyde, John S.:  
     Maine Central R. R.  
 Imbrie, James:  
     Savannah & Northwestern Ry.  
 Ingersoll, C. E.:  
     Midland Valley R. R.  
     Pennsylvania R. R.  
 Irvine, William:  
     Wisconsin Central Ry.  
 Irwin, W. T.:  
     Peoria Ry. Terminal Co.  
 Iselin, Adrian, Jr.:  
     Buffalo, Rochester & Pittsburg Ry.  
     Chicago, Indianapolis & Louisville Ry.  
     Mobile & Ohio R. R.  
     Southern Ry.  
 Iselin, C. O'D.:  
     Buffalo, Rochester & Pittsburg Ry.  
 Iselin, Ernest:  
     Buffalo, Rochester & Pittsburg Ry.  
     Mobile & Ohio R. R.  
 Iselin, O'Donnell:  
     Buffalo, Rochester & Pittsburg Ry.  
 Iselin, William E.:  
     Buffalo, Rochester & Pittsburg Ry.  
 Jackson, B. A.:  
     Norfolk Southern R. R.  
 Jackson, R. A.:  
     Chicago, Burlington & Quincy R. R.  
 Jackson, W. J.:  
     Chicago & Eastern Illinois R. R.  
     Chicago & Western Indiana R. R.  
 Jaques, S. R.:  
     Central of Georgia Ry.
- Jaffray, C. T.:  
     Wisconsin Central Ry.  
 James A. Curtiss:  
     Rock Island Co.  
     Chicago, Rock Island & Pacific Ry.  
     El Paso & Southwestern Co.  
     Northern Pacific Ry.  
 James, C. E.:  
     Central of Georgia Ry.  
 James, C. I.:  
     New Orleans Great Northern R. R.  
 James, N.:  
     Northern Central Ry.  
 Jarvis, George T.:  
     Rutland R. R.  
 Jarvie, J. N.:  
     Southern Pacific Co.  
 Jeffery, E. T.:  
     Colorado Midland Ry.  
     Denver & Rio Grande R. R.  
     Texas & Pacific Ry.  
     Wabash R. R.  
 Jemison, Robert:  
     Alabama Great Southern R. R.  
     Southern Ry. Co.  
 Jenkins, George C.:  
     Maryland & Pennsylvania R. R.  
 Jenkins, Michael:  
     Atlantic Coast Line R. R.  
     Louisville & Nashville R. R.  
     Northern Central Ry.  
 Jenks, John S., Jr.:  
     Midland Valley R. R.  
 Jerome, Frank J.:  
     Cleveland, Cincinnati, Chicago & St. Louis Ry. Co.  
     Cleveland Short Line Ry.  
     New York Central R. R.  
 Jobes, A. C.:  
     Atchison, Topeka & Santa Fe Ry.  
 Johnson, L. E.:  
     Norfolk & Western Ry.  
 Johnson, W. O.:  
     Chicago & Western Indiana R. R.  
 Johnson, W. T.:  
     Kansas City, Clinton & Springfield Ry.  
 Jones, C. D.:  
     Mississippi Central R. R.  
 Jones, Charles H.:  
     Kansas City, Mexico & Orient R. R.  
 Jones, F. J.:  
     Cleveland & Pittsburg R. R.  
 Jones, G. E.:  
     Gulf & Ship Island R. R.  
 Jones, Howel:  
     Atchison, Topeka & Santa Fe Ry.  
 Jones, J. H.:  
     Houston & Texas Central R. R.  
     International & Great Northern Ry.  
 Jones, J. T.:  
     Gulf & Ship Island R. R.

## QUESTION No. 5—Continued.

- Jones, Larz A.:  
   Alabama & Vicksburg Ry.  
   New Orleans & Northeastern R. R.  
   New Orleans Terminal Co.  
   Vicksburg, Shreveport & Pacific Ry.  
 Jones, M. E.:  
   Gulf & Ship Island R. R. Co.  
 Jones, P.:  
   Cleveland, Akron & Cincinnati R. R.  
 Jordan, J. A.:  
   Green Bay & Western R. R.  
 Juillard, A. D.:  
   Atchison, Topeka & Santa Fe R. R.  
 Kahn, Otto H.:  
   Union Pacific R. R.  
 Kaul, J. L.:  
   Alabama Great Southern R. R.  
 Kean, Hamilton F.:  
   Buffalo, Rochester & Pittsburg Ry.  
 Kearney, E. F.:  
   Texas & Pacific Ry.  
 Kearns, Thomas:  
   San Pedro, Los Angeles & Salt Lake R. R.  
 Keefe, J. S.:  
   Missouri, Oklahoma & Gulf Ry.  
 Keeley, W. V.:  
   Chicago, Burlington & Quincy R. R.  
 Keep, Chauncey:  
   Chicago & Eastern Illinois R. R.  
   Chicago & North Western Ry.  
 Kelley, Howard G.:  
   Chicago & Western Indiana R. R.  
 Kemper, W. T.:  
   Kansas City, Mexico & Orient R. R.  
 Kempton, E. S.:  
   Duluth, Missabe & Northern Ry.  
 Kennedy, M. C.:  
   Cumberland Valley R. R.  
   Norfolk & Western Ry.  
 Kennedy, S. G.:  
   St. Louis, Brownsville & Mexico Ry.  
 Kenefick, William:  
   Missouri, Oklahoma & Gulf Ry.  
 Kepler, G. W.:  
   Bessemer & Lake Erie R. R.  
   Pittsburg, Bessemer & Lake Erie R. R.  
 Kerckhoff, W. G.:  
   San Pedro, Los Angeles & Salt Lake R. R.  
 Kerens, R. C.:  
   Coal & Coke Ry.  
   San Pedro, Los Angeles & Salt Lake R. R.  
 Kerr, D. G.:  
   Bessemer & Lake Erie R. R.  
   Duluth, Missabe & Northern Ry.  
   Pittsburg, Bessemer & Lake Erie R. R.  
 Kerr, John B.:  
   New York, Ontario & Western Ry. Co.  
 Keyser, R. Brent:  
   Baltimore & Ohio R. R.  
 Kilgo, John C.:  
   Southern Ry. Co.  
 Kimball, David P.:  
   Chicago & North Western Ry.  
   Chicago, St. Paul, Minneapolis & Omaha Ry.  
 Kimball, Benjamin A.:  
   Concord & Montreal R. R.  
 Kimball, George M.:  
   Concord & Montreal R. R.  
 King, G. L.:  
   Central Pacific Ry.  
   South Pacific Coast Ry.  
 King, W. V.:  
   Kansas City, Mexico & Orient R. R.  
 Kinnear, Willson S.:  
   Seaboard Air Line Ry.  
 Kirby, Fred M.:  
   Lehigh Valley R. R.  
   Mississippi Central R. R.  
 Kittredge, E. W.:  
   Cincinnati, New Orleans & Texas Pacific Ry.  
 Kleburg, Robert J.:  
   St. Louis, Brownsville & Mexico Ry.  
 Knapp, K. K.:  
   Chicago, Lake Shore & Eastern Ry.  
   Elgin, Joliet & Eastern Ry.  
 Knowlton, Marcus P.:  
   Boston & Maine R. R. Co.  
 Knox, S. H.:  
   Mississippi Central R. R.  
 Koehler, Hugo A.:  
   St. Louis, Rocky Mountain & Pacific Co.  
 Koehler, Max:  
   St. Louis, Rocky Mountain & Pacific Co.  
 Koontz, F. L.:  
   Chicago, Lake Shore & Eastern Ry.  
   Elgin, Joliet & Eastern Ry.  
 Krauthoff, Louis G.:  
   Chicago & Alton R. R.  
 Krech, Alvin W.:  
   Chicago & Eastern Illinois R. R.  
   Norfolk Southern R. R.  
   Wabash R. R.  
   Western Maryland Ry. Co.  
 Kruttschnitt, Julius:  
   Chicago & Alton R. R.  
   Galveston, Harrisburg & San Antonio Ry.  
   Houston & Texas Central.  
   Morgan's Louisiana & Texas R. R. & S. S. Co.

QUESTION No. 5—Continued.

- Kruttchnitt, Julius—Continued.  
Southern Pacific Co.  
Texas & New Orleans R. R.
- Kurns, J. M.:  
Detroit, Toledo & Ironton R. R.
- Kurrie, H. R.:  
Chicago, Indianapolis & Louisville Ry.
- Lamb, E. T.:  
Atlanta, Birmingham & Atlantic R. R.
- Lamont, Thomas W.:  
Northern Pacific Ry. Co.
- Lane, Mills B.:  
Seaboard Air Line Ry.  
Savannah & Northwestern Ry.
- Lane, W. C.:  
Alabama Great Southern R. R.  
Virginia & Southwestern Ry.
- Lanier, C.:  
Cleveland & Pittsburg.  
Fort Wayne & Chicago Ry.  
Southern Ry. Co.
- Lawlor, Oscar:  
San Pedro, Los Angeles & Salt Lake R. R.
- Lawton, A. R.:  
Atlanta & West Point R. R. Co.  
Central of Georgia Ry.  
Western Ry. of Alabama.
- Lazarus, Sam:  
Quannah, Acme & Pacific Ry.
- Lea, Preston:  
Philadelphia, Baltimore & Washington R. R.
- Ledyard, H. B.:  
Canada Southern Ry.  
Indiana Harbor Belt R. R. Co.  
Michigan Central R. R. Co.
- Ledyard, L. C.:  
Canada Southern Ry.  
Pittsburg, Fort Wayne & Chicago R. R.  
Michigan Central R. R. Co.  
Northern Pacific Ry. Co.
- Lee, Arthur:  
Coal & Coke Ry.
- Lee, F. B.:  
West Jersey & Seashore R. R.
- Leiper, C. I.:  
New York, Philadelphia & Norfolk R. R.
- Lemann, Myer:  
New Orleans & Northeastern R. R.
- Leming, M. E.:  
San Antonio, Uvalde & Gulf R. R.
- Leonard, J. C.:  
Baltimore, Chesapeake & Atlantic Ry.
- Leonard, W. E.:  
Gulf & Ship Island R. R. Co.
- Lessley, Geo. H.:  
Oklahoma Central R. R.
- Lewis, E. C.:  
Nashville, Chattanooga & St. Louis Ry.
- Lewis, Weston:  
Maine Central R. R.
- Lightner, A. D.:  
New Orleans, Texas & Mexico R. R.
- Linen, J. A.:  
Delaware & Hudson Co.
- Lisman, F. J.:  
Oklahoma Central R. R.
- Loesch, F. J.:  
South Chicago & Southern R. R.
- Lombard, G. M.:  
Georgia & Florida Ry.
- Long, E. C.:  
Georgia Southern & Florida Ry.
- Long, G. D.:  
Florida East Coast Ry.
- Loree, L. F.:  
Baltimore & Ohio R. R.  
Cincinnati, Hamilton & Dayton Ry.  
Delaware & Hudson Co.  
Erie R. R.  
Seaboard Air Line Ry.  
Kansas City Southern Ry.  
New York, Ontario & Western Ry. Co.  
Southern Pacific Co.
- Louis, W. L.:  
Elgin, Joliet & Eastern Ry.
- Lovelace, F. L.:  
New York, Ontario & Western Ry.
- Lovett, R. S.:  
Central of Georgia Ry.  
Chicago & Alton R. R.  
Cleveland, Cincinnati, Chicago & St. Louis Ry.  
Delaware & Hudson Co.  
Illinois Central R. R.  
Lake Erie & Western R. R. Co.  
New York Central R. R.  
New York Central & Hudson River R. R.  
New York, Chicago & St. Louis R. R.  
San Pedro, Los Angeles & Salt Lake R. R.  
Union Pacific R. R.  
Yazoo & Mississippi Valley R. R.
- Low, jr., W. G.:  
Savannah & Northwestern Ry.
- Lowry, Horace:  
Minneapolis, St. Paul & Sault Ste. Marie Ry.
- Lowry, Robert J.:  
Atlanta, Birmingham & Atlantic R. R.
- Lucas, John H.:  
Kansas City, Clinton & Springfield Ry.
- Lucas, William C.:  
Kansas City, Clinton & Springfield Ry.
- Luttgen, Walter:  
Illinois Central R. R.

## QUESTION No. 5—Continued.

- Lyerly, C. A.:  
     Alabama Great Southern R. R.  
 Lyford, W. H.:  
     Chicago & Eastern Illinois R. R.  
 Lyman, Arthur:  
     Boston & Lowell R. R.  
 Lynde, S. C.:  
     Chicago, St. Paul, Minnesota &  
     Omaha Ry.  
 Lyon, J. D.:  
     Pittsburgh & Lake Erie R. R.  
 MacKie, J. Steuart:  
     Chicago & Alton R. R.  
     Toledo, St. Louis & Western R. R.  
 MacMillan, F. C.:  
     San Antonio, Uvalde & Gulf R. R.  
 MacNeill, C. M.:  
     Cripple Creek Central Ry.  
 MacRae, Donald:  
     Atlantic Coast Line R. R.  
 McAllister, Rutherford:  
     Buffalo & Susquehanna R. R. Corp.  
 McBurney, E. P.:  
     Georgia Southern & Florida Ry.  
 McCabe, D. T.:  
     Cleveland, Akron & Cincinnati Ry.  
     Grand Rapids & Indiana Ry.  
     Pennsylvania Co.  
     Pittsburg, Youngstown & Ashtabula Ry.  
     Vandalla R. R.  
 McCarty, R. E.:  
     Cleveland, Akron & Cincinnati Ry.  
 McCaw, J. N.:  
     Georgia Southern & Florida Ry.  
 McChesney, jr., W. G.:  
     Terminal R. R. Association of St. Louis.  
 McCloskey, Hugh:  
     Morgan's Louisiana & Texas R. R. & S. S. Co.  
 McCormack, G. B.:  
     Central of Georgia Ry.  
 McCormick, C. H.:  
     Chicago & North Western Ry.  
 McCormick, E. O.:  
     Central Pacific Ry.  
     Northwestern Pacific R. R.  
     South Pacific Coast Ry.  
 McCullough, C.:  
     Pittsburg, Fort Wayne & Chicago Ry.  
 McCullough, John G.:  
     Atchison, Topeka & Santa Fe Ry.  
     Erie R. R.  
     New York, Susquehanna & Western R. R.  
 McDonald, Morris:  
     Maine Central R. R.  
 McGarrah, G. W.:  
     Erie R. R.  
     New York, Susquehanna & Western R. R.  
 McGonagle, W. A.:  
     Duluth, Missabe & Northern Ry.
- McHarg, Henry K.:  
     Detroit & Mackinac Ry.  
     New York, New Haven & Hartford R. R.  
     New York, Ontario & Western Ry.  
 McHarg, Henry K., jr.:  
     Detroit & Mackinac Ry.  
 McIntyre, William H.:  
     San Antonio & Aransas Pass R. R.  
 McKean, Henry P.:  
     Reading Co.  
 McLean, Benjamin F.:  
     Kansas City, Mexico & Orient R. R.  
 McLean, James:  
     Chicago, Rock Island & Pacific Ry.  
     El Paso & Southwestern Co.  
     Rock Island Co.  
 McManus, P. L.:  
     Kentucky & Indiana Terminal R. R.  
 McMillan, J. D.:  
     Wisconsin Central Ry.  
 McMurtry, George G.:  
     Chicago, Rock Island & Pacific Ry.  
     Rock Island Co.  
 McNair, E. O.:  
     Cripple Creek Central Ry.  
 McNicoll, David:  
     Canadian Pacific Ry.  
 McRoberts, Samuel:  
     Chicago, Milwaukee & St. Paul Ry.  
     Kansas City Southern Ry.  
     Virginian Ry.  
 McSwiney, W. F.:  
     Chicago, Milwaukee & Gary Ry.  
 Macdowell, William G.:  
     Norfolk & Western Ry.  
 Mackall, W. W.:  
     Atlantic Coast Line R. R.  
 Mackay, Robert:  
     Canadian Pacific Ry.  
 Macomber, George E.:  
     Maine Central R. R.  
 Macy, George H.:  
     St. Louis Southwestern Ry.  
 Maddox, Robert F.:  
     Seaboard Air Line Ry.  
 Madeira, Percy:  
     Buffalo & Susquehanna R. R. Corp.  
 Maher, N. D.:  
     Norfolk & Western Ry.  
 Mallory, W. B.:  
     Yazoo & Mississippi Valley R. R.  
 Maloney, Walter J.:  
     Detroit, Toledo & Ironton R. R.  
 Maltott, V. T.:  
     Vandalla R. R.  
 Mann, Isaac T.:  
     Carolina, Clinchfield & Ohio Ry.

## QUESTION No. 5—Continued.

- Mansfield, Howard:  
   Cuba R. R.  
 Mapother, W. L.:  
   Louisville & Nashville R. R.  
   Louisville, Henderson & St. Louis Ry.  
 Markham, C. H.:  
   Central of Georgia Ry.  
   Illinois Central R. R.  
   Peoria & Pekin Union Ry.  
   Yazoo & Mississippi Valley R. R.  
 Marston, Edgar L.:  
   Denver & Rio Grande R. R.  
   Western Maryland Ry.  
 Marston, E. S.:  
   Virginian Ry.  
 Martin, W. L.:  
   Minneapolis, St. Paul & Sault Ste. Marie Ry.  
   Wisconsin Central Ry.  
 Mather, W. G.:  
   Cleveland & Pittsburg R. R.  
 Matteson, Frank W.:  
   New York, New Haven & Hartford R. R.  
 Matthews, S. C.:  
   Colorado Midland Ry.  
 Matthews, W. D.:  
   Canadian Pacific Ry.  
 Maxwell, Francis T.:  
   New York, New Haven & Hartford R. R.  
   New York, Ontario & Western Ry.  
 Maxwell, Howard W.:  
   Central R. R. of New Jersey.  
 May, Augustus L.:  
   New York, New Haven & Hartford R. R.  
 Meldrum, N. S.:  
   Seaboard Air Line Ry.  
 Merriam, Seward L.:  
   Perre Marquette R. R.  
 Merryday, W. A.:  
   Georgia Southern & Florida Ry.  
 Meyers, W. H.:  
   Baltimore, Chesapeake & Atlantic Ry.  
 Michaelson, Herman:  
   Cuba R. R.  
 Middendorf, J. Wm.:  
   Seaboard Air Line Ry.  
 Milbank, Dunlevy:  
   Texas & Pacific Ry.  
 Miller, Andrew J.:  
   Kansas City Southern Ry.  
   Rock Island Co.  
 Miller, Homer A.:  
   Chicago & North Western Ry.  
 Miller, H. I.:  
   Buffalo & Susquehanna R. R. Corp.  
   New Orleans Great Northern R. R.  
 Miller, H. W.:  
   Kentucky & Indiana Terminal R. R.  
 Miller, T. F.:  
   San Pedro, Los Angeles & Salt Lake R. R.  
 Milligan, Edward:  
   New York, New Haven & Hartford R. R.  
   New York, Ontario & Western Ry.  
 Milliken, Chas. A.:  
   Bangor & Aroostook R. R.  
 Mills, Geo. J.:  
   Central of Georgia Ry.  
 Mills, Ogden:  
   Chicago, Rock Island & Pacific Ry.  
   Erie R. R.  
   New York Central & Hudson River R. R.  
   New York Central R. R.  
   Rock Island Co.  
   Southern Pacific Co.  
 Mitchell, John J.:  
   Chicago & Alton R. R.  
   Chicago, Rock Island & Pacific Ry.  
   Colorado & Southern Ry.  
   Kansas City Southern Ry.  
   Pittsburgh, Fort Wayne & Chicago Ry.  
 Mohler, A. L.:  
   Kansas City Terminal Ry.  
 Monroe, J. Blanc:  
   New Orleans & Northeastern R. R.  
   Vicksburg, Shreveport & Pacific Ry.  
 Monserrate, M. D.:  
   San Antonio & Aransas Pass Ry.  
 Monson, Lord:  
   Kansas City, Mexico & Orient R. R.  
 Moon, Dewitt C.:  
   Cleveland Short Line Ry.  
 Moore, Edward S.:  
   Chicago, Rock Island & Pacific Ry.  
   Lehigh Valley R. R.  
   Rock Island Co.  
 Moore, Henry:  
   Louisiana & Arkansas Ry.  
 Moore, Jas. H.:  
   Chicago, Rock Island & Pacific R. R.  
   Chicago, Rock Island & Pacific Ry.  
   Rock Island Co.  
 Moore, Paul:  
   Rock Island Co.  
 Moore, Wm. H.:  
   Chicago, Rock Island & Pacific Ry.  
   Delaware, Lackawanna & Western R. R.  
   Lehigh Valley R. R.  
   Rock Island Co.  
 Moran, A. D.:  
   Detroit & Mackinac Ry.  
   Nevada-California-Oregon Ry.

## QUESTION No. 5—Continued.

- Moran, Chas.:  
     Nevada-California-Oregon Ry.  
 Morawetz, Victor:  
     Norfolk & Western Ry.  
 Morgan, J. P.:  
     Northern Pacific Ry.  
 Morris, E. B.:  
     Pennsylvania Co.  
     Pennsylvania R. R.  
 Morrison, Thos.:  
     Pittsburgh, Bessemer & Lake Erie R. R.  
 Morrison, Wm. H.:  
     Pittsburgh, Youngstown & Ashtabula Ry.  
 Morron, John R.:  
     Baltimore & Ohio R. R.  
     Chicago Great Western R. R.  
 Morrow, Walter K.:  
     International & Great Northern Ry.  
 Morse, E. R.:  
     Rutland R. R.  
 Morton, Joy:  
     Chicago & Alton R. R.  
 Moses, Wm. H.:  
     Concord & Montreal R. R.  
 Mudge, H. U.:  
     Chicago, Rock Island & Pacific Ry.  
 Mulvane, J. R.:  
     Kansas City, Mexico & Orient R. R.  
 Munn, J. P.:  
     Texas & Pacific Ry.  
 Munson, J. B.:  
     Georgia Southern & Florida Ry.  
 Murdock, S. T.:  
     Chicago, Indianapolis & Louisville Ry.  
 Murphy, J. E.:  
     Central of Georgia Ry.  
 Murray, Oscar G.:  
     Baltimore & Ohio R. R.  
     Cincinnati, Hamilton & Dayton Ry.  
     Cincinnati, New Orleans & Texas Pacific.  
 Myers, W. H.:  
     New York, Philadelphia & Norfolk R. R.  
     Northern Central Ry.  
     Pennsylvania R. R.  
     Philadelphia, Baltimore & Washington R. R.  
     West Jersey & Seashore R. R.  
 Nance, O. H.:  
     St. Louis, Brownsville & Mexico Ry.  
 Nanton, A. M.:  
     Canadian Pacific Ry.  
 Neff, N.:  
     Cleveland, Akron & Cincinnati Ry.  
 Nelson, C. O.:  
     Kansas City, Clinton & Springfield Ry.  
 Nelson, J. M.:  
     Halt, Chesapeake & Atlantic Ry.  
 Nesbitt, Abram:  
     Lehigh Valley R. R.  
 Newbold, A. E.:  
     Midland Valley R. R.  
 Newcomer, Waldo:  
     Atlantic Coast Line R. R.  
     Northern Central Ry.  
 Newell, G. R.:  
     Minneapolis, St. Paul & Sault Ste. Marie Ry.  
 Newman, W. H.:  
     Canada Southern Ry.  
     Chicago, Indiana & Southern R. R.  
     Cleveland, Cincinnati, Chicago & St. Louis Ry.  
     Cleveland Short Line Ry.  
     Indiana Harbor Belt R. R.  
     Lake Erie & Western R. R.  
     Michigan Central R. R.  
     New York Central & Hudson River R. R.  
     New York Central R. R.  
     New York, Chicago & St. Louis R. R.  
     Pittsburgh & Lake Erie R. R.  
     Rutland R. R.  
     Lake Shore & Michigan Southern Ry.  
 Ney, Rudolph:  
     Midland Valley R. R.  
 Nicols, Edw. T.:  
     Colorado & Southern Ry.  
 Nicholson, S. M.:  
     Norfolk Southern R. R.  
 Nicoll, Benjamin:  
     Texas & Pacific Ry.  
 Niles, Henry C.:  
     Maryland & Pennsylvania R. R.  
 Niven, J. B.:  
     Kansas City, Mexico & Orient R. R.  
 Nixon, W. C.:  
     Kansas City Terminal Ry.  
     New Orleans, Mobile & Chicago R. R.  
     New Orleans, Texas & Mexico R. R.  
     St. Louis & San Francisco R. R.  
     Terminal R. R. Association of St. Louis.  
 Noonan, W. T.:  
     Buffalo, Rochester & Pittsburg Ry.  
 Norton, Porter:  
     Western New York & Pennsylvania Ry.  
 Oak, C. E.:  
     Bangor & Aroostook R. R.  
 Oakman, W. G.:  
     Alabama Great Southern R. R.  
     Buffalo, Rochester & Pittsburg Ry.  
     Long Island R. R.  
     Louisville & Nashville R. R.  
 Odell, J. T.:  
     Pittsburg, Bessemer & Lake Erie R. R.

## QUESTION No. 5—Continued.

- Officer, A. H.:  
St. Louis, Rocky Mountain & Pacific Co.
- Ogden, Isaac G.:  
Duluth, South Shore & Atlantic Ry.  
Minneapolis, St. Paul & Sault Ste. Marie Ry.
- Oglesby, Ira D.:  
Midland Valley R. R.
- Oglesby, Ira D., Jr.:  
Midland Valley R. R.
- Olcott, W. J.:  
Duluth, Missabe & Northern Ry.
- Olyphant, R. M.:  
Delaware & Hudson Co.
- Opdyke, Wm. S.:  
Delaware & Hudson Co.
- Osborn, Wm. Church:  
Detroit, Toledo & Ironton R. R.  
El Paso & Southwestern Co.
- Osler, Sir Edmund B.:  
Canadian Pacific Ry.
- Owen, Carl M.:  
Colorado, Wyoming & Eastern Ry.
- Owen, W. F.:  
New Orleans, Mobile & Chicago R. R.
- Palmer, Edgar:  
Green Bay & Western R. R.
- Palmer, W. S.:  
Northwestern Pacific R. R.
- Park, W. L.:  
Peoria & Pekin Union Ry.  
Terminal R. R. Association of St. Louis.
- Parker, A. D.:  
Colorado & Southern Ry.
- Parker, E. B.:  
Galveston, Harrisburg & San Antonio Ry.  
Texas & New Orleans R. R.
- Parker, Walter M.:  
Concord & Montreal R. R.
- Parrott, G. W.:  
Georgia Southern & Florida Ry.
- Patterson, C. S.:  
Pennsylvania Co.  
Pennsylvania R. R.
- Patton, Wm. A.:  
New York, Philadelphia & Norfolk R. R.
- Paul, Drexel A. J.:  
Huntingdon & Broad Top Mountain R. R. & Coal Co.
- Paul, R. H.:  
Florida East Coast Ry.
- Payson, A. H.:  
Northwestern Pacific R. R.
- Peabody, Chas. A.:  
Baltimore & Ohio R. R.  
Central of Georgia Ry.  
Delaware & Hudson Co.  
Illinois Central R. R.  
Pittsburg, Fort Wayne & Chicago Ry.
- Peabody, Chas. A.—Continued.  
Union Pacific R. R.  
Yazoo & Mississippi Valley R. R.
- Pearson, E. J.:  
Kansas City Terminal Ry.  
Terminal R. R. Association of St. Louis.
- Pearson, F. S.:  
Denver & Salt Lake R. R.
- Pearson, Ward E.:  
Minneapolis & St. Louis R. R.
- Peck, E. S.:  
Mississippi Central R. R.
- Peck, F. L.:  
Mississippi Central R. R.
- Peck, G. L.:  
Cleveland, Akron & Cincinnati Ry.  
Grand Rapids & Indiana Ry.  
Pennsylvania Co.  
Pittsburgh, Youngstown & Ash-ta-bula Ry.  
Vandalla R. R.
- Peck, William H.:  
Duluth, South Shore & Atlantic Ry.
- Pendleton, A. S.:  
Georgia Southern & Florida Ry.
- Pennington, E.:  
Minneapolis, St. Paul & Sault Ste. Marie Ry.  
Wisconsin Central Ry.
- Penrose, Spencer:  
Cripple Creek Central Ry.
- Perkins, A. T.:  
Chicago, Milwaukee & Gary Ry.  
Missouri & North Arkansas R. R.  
St. Louis, Brownsville & Mexico Ry.
- Perkins, Charles E.:  
Chicago, Burlington & Quincy R. R.
- Perkins, E. R.:  
Cleveland & Pittsburgh R. R.  
Pittsburgh, Fort Wayne & Chicago Ry.
- Perkins, G. W.:  
Cincinnati, Hamilton & Dayton Ry.
- Erie R. R.
- Perry, E. J.:  
Kansas City, Clinton & Springfield Ry.
- Perry, M. J.:  
Norfolk Southern R. R.
- Peter, James B.:  
Perre Marquette R. R.
- Peter, J. S.:  
San Antonio & Aransas Pass Ry.
- Peters, Ralph:  
Long Island R. R.
- Petit, L. J.:  
Chicago, Milwaukee & St. Paul Ry.
- Peyton, J. H.:  
Nashville, Chattanooga & St. Louis Ry.



## QUESTION No. 5—Continued.

- Phipps, Lawrence C.:  
     Denver & Salt Lake R. R.  
 Pierce, H. H.:  
     St. Louis & San Francisco R. R.  
 Pierce, W. S.:  
     Colorado Midland Ry.  
     St. Louis Southwestern Ry.  
     Wabash R. R.  
 Pillot, C. G.:  
     Texas & New Orleans R. R.  
 Pillsbury, C. S.:  
     Minneapolis, St. Paul & Sault Ste.  
     Marie Ry.  
 Pillsbury, E. S.:  
     Northwestern Pacific R. R.  
 Pillsbury, J. S.:  
     Wisconsin Central Ry.  
 Pinkney, H. K.:  
     Peoria & Pekin Union Ry.  
 Plant, M. F.:  
     Atlantic Coast Line R. R.  
     Chicago, Indianapolis & Louisville  
     Ry.  
 Pleasants, William H.:  
     Central of Georgia Ry.  
 Pomeroy, Robert W.:  
     Erie R. R.  
 Ponder, A. R.:  
     San Antonio, Uvalde & Gulf R. R.  
 Ponsonby, C. W.:  
     Alabama, New Orleans, Texas &  
     Pacific Junction Rys. (Ltd.).  
 Poor, A. J.:  
     Missouri, Kansas & Texas Ry.  
 Porter, Charles:  
     Chicago, Terra Haute & South-  
     eastern Ry.  
 Porter, George F.:  
     Chicago & Eastern Illinois R. R.  
 Porter, H. H.:  
     Chicago & Eastern Illinois R. R.  
 Porter, J. T.:  
     Mississippi Central R. R.  
 Porter, William H.:  
     Pere Marquette R. R.  
 Potter, Mark W.:  
     Cumberland Corp.  
 Powell, G. M.:  
     Florida East Coast Ry.  
 Powell, T. C.:  
     Alabama Great Southern R. R.  
     Cincinnati, New Orleans & Texas  
     Pacific Ry.  
     Terminal R. R. Association of St.  
     Louis.  
 Powell, R. T.:  
     Midland Valley R. R.  
 Powers, R. E.:  
     Gulf & Ship Island R. R.  
 Pratt, C. M.:  
     Long Island R. R.  
 Pratt, John T.:  
     New York, New Haven & Hart-  
     ford R. R.  
 Pendergast, James M.:  
     Boston & Maine R. R.
- Prentice, John H.:  
     Alabama Great Southern R. R.  
     Virginia & Southwestern Ry.  
 Preston, Henry M.:  
     Vicksburg, Shreveport & Pacific  
     Ry.  
 Price, G. E.:  
     Coal & Coke Ry.  
 Priest, George T.:  
     Kansas City, Clinton & Spring-  
     field Ry.  
 Priest, H. S.:  
     Kansas City, Clinton & Spring-  
     field Ry.  
 Prince, F. H.:  
     Pere Marquette R. R.  
 Pritchett, H. S.:  
     Atchison, Topeka & Santa Fe Ry.  
 Proctor, William C.:  
     Cincinnati, New Orleans & Texas  
     Pacific Ry.  
 Prouty, George H.:  
     Boston & Maine R. R.  
 Pruyn, R. C.:  
     Delaware & Hudson Co.  
 Pryor, E. B.:  
     Chicago & Western Indiana R. R.  
     Kansas City Terminal Ry.  
     Terminal R. R. Association of St.  
     Louis.  
     Wabash R. R.  
 Pryor, J. T.:  
     San Antonio, Uvalde & Gulf R. R.  
 Pryor, S. F.:  
     Denver & Rio Grande R. R.  
 Pyeatt, J. S.:  
     New Orleans, Texas & Mexico  
     R. R.  
     St. Louis, Brownsville & Mexico  
     Ry.  
 Pyne, M. T.:  
     Delaware, Lackawanna & West-  
     ern R. R.  
 Quinlan, J. J.:  
     Chicago, Rock Island & Pacific  
     R. R.  
     Rock Island Co.  
 Quinn, F. K.:  
     Oklahoma Central R. R.  
 Ramsay, J. B.:  
     Philadelphia, Baltimore & Wash-  
     ington R. R.  
 Ramsey, A. C.:  
     Memphis, Dallas & Gulf R. R.  
 Ramsey, John P.:  
     Chicago, Peoria & St. Louis R. R.  
 Randall, B.:  
     Philadelphia, Baltimore & Wash-  
     ington R. R.  
 Randolph, Edmund B.:  
     Southern Ry.  
 Randolph, G. H.:  
     Cincinnati, Hamilton & Dayton  
     Ry.

QUESTION No. 5—Continued.

- Randolph, N. P.:  
Morgan's Louisiana & Texas R. R.  
& S. S. Co.
- Randolph, T.:  
St. Louis Southwestern Ry.
- Rawson, Fredk. H.:  
Chesapeake & Ohio Ry.  
Chicago, Burlington & Quincy  
R. R.
- Rea, E. S.:  
Missouri, Kansas & Texas Ry.
- Rea, Samuel:  
Cumberland Valley R. R.  
Long Island R. R.  
Pennsylvania Co.  
Pennsylvania R. R.  
Philadelphia, Baltimore & Wash-  
ington R. R.  
Pittsburg, Fort Wayne & Chicago  
Ry.  
Richmond, Fredericksburg & Po-  
tomac R. R.  
Richmond-Washington Co.  
West Jersey & Seashore R. R.
- Ream, Norman B.:  
Baltimore & Ohio R. R.  
Carolina, Clinchfield & Ohio Ry.  
Cincinnati, Hamilton & Da-ton  
Ry.  
Erie R. R.  
New York, Susquehanna & West-  
ern R. R.  
Seaboard Air Line Ry.
- Ream, Robt., Co.:  
Carolina, Clinchfield & Ohio Ry.
- Redington, C. H.:  
Central Pacific Ry.  
South Pacific Coast Ry.
- Reed, J. H.:  
Bessemer & Lake Erie R. R.  
Pittsburg, Bessemer & Lake Erie  
R. R.
- Reid, D. G.:  
Chicago, Rock Island & Pacific Ry.  
Lehigh Valley R. R.  
Rock Island Co.
- Reid, Fergus:  
Seaboard Air Line Ry.
- Reid, G. T.:  
Spokane, Portland & Seattle Ry.
- Renfro, N. P.:  
Western Ry. of Alabama.
- Reynolds, F. J.:  
Hocking Valley Ry.
- Rice, Wm. E.:  
Fitchburg R. R.
- Richards, Jas. L.:  
New York, New Haven & Hartford  
R. R.
- Richards, T. J.:  
Quana, Acme & Pacific Ry.
- Richardson, Geo. A.:  
New York, Susquehanna & West-  
ern R. R.
- Richardson, W. P.:  
Vicksburg, Shreveport & Pacific  
Ry.
- Richmond, S. C.:  
Cleveland & Pittsburg R. R.  
Pittsburg, Ft. Wayne & Chicago  
Ry.
- Rickard, R. D.:  
New York, Ontario & Western Ry.
- Ricker, E. P.:  
Maine Central R. R.
- Ridgway, A. C.:  
Kansas City Terminal Ry.  
Peoria Railway Terminal Co.
- Ridgway, Frederic H.:  
Pittsburg, Shawmut & Northern  
R. R.
- Riley, Lewis A.:  
Huntingdon & Broad Top Mount-  
ain R. R. & Coal Co.  
Lehigh & Hudson River Ry.
- Ripley, Edw. P.:  
Atchison, Topeka & Santa Fe Ry.  
St. Louis, Rocky Mountain &  
Pacific Ry.
- Ritter, W. M.:  
Carolina, Clinchfield & Ohio Ry.
- Roach, Wm. R.:  
Pere Marquette R. R.
- Roberts, Percival, Jr.:  
Long Island R. R.  
Pennsylvania R. R.
- Robertson, A.:  
Terminal R. R. Association of St.  
Louis.
- Robertson, A. Heaton:  
Central N. E. R. R.  
New York, Ontario & Western Ry.
- Robertson, W. G.:  
Mississippi Central R. R.
- Robinson, A. H.:  
Nashville, Chattanooga & St. Louis  
Ry.
- Robinson, J. G.:  
Pittsburgh & Lake Erie R. R.
- Rockefeller, J. D., jr.:  
Delaware, Lackawanna & Western  
R. R.
- Rockefeller, P. A.:  
Chicago, Milwaukee & St. Paul Ry.
- Rockefeller, Wm.:  
Chicago, Milwaukee & St. Paul Ry.  
Cleveland, Cincinnati, Chicago &  
St. Louis Ry.  
Delaware, Lackawanna & Western  
R. R.  
Indiana Harbor Belt R. R.  
Lake Erie & Western R. R.  
Lake Shore & Michigan Southern  
Ry.  
Michigan Central R. R.  
New York Central & Hudson River  
R. R.  
New York Central R. R.

# 7712 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

## QUESTION No. 5—Continued.

Rockefeller, Wm.—Continued.

New York, Chicago & St. Louis R. R.  
Pittsburgh & Lake Erie R. R.  
Rutland R. R.  
Union Pacific R. R.  
Rockefeller, Wm. G.:  
Union Pacific R. R.  
Rodd, Thos.:  
Pittsburgh, Fort Wayne & Chicago Ry.  
Rogers, Henry H.:  
Virginian Ry.  
Rogers, H. T.:  
Colorado Midland Ry.  
Rogers, S. M.:  
Chicago, Lake Shore & Eastern Ry.  
Elgin, Joliet & Eastern Ry.  
Roosevelt, G. E.:  
Buffalo, Rochester & Pittsburgh Ry.  
Roosevelt, W. Emlen:  
Buffalo, Rochester & Pittsburgh Ry.  
Chicago & Eastern Illinois R. R.  
Mobile & Ohio R. R.  
Rose, W. F.:  
West Jersey & Seashore R. R.  
Rosen, Walter T.:  
Carolina, Clinchfield & Ohio Ry.  
Kansas City Southern Ry.  
Seaboard Air Line Ry.  
Rosenfeld, Maurice:  
Illinois Southern Ry.  
Ross, John K. L.:  
Canadian Pacific Ry.  
Ross, W. L.:  
Toledo, St. Louis & Western R. R.  
Rowlands, T. F.:  
Central Pacific Ry.  
Rumrill, C. C.:  
Boston & Albany R. R.  
Russell, A. D.:  
Delaware & Hudson Co.  
Russell, C. T.:  
Fitchburg R. R.  
Russell, Jos. B.:  
New York, New Haven & Hartford R. R.  
Russell, S. M.:  
Peoria & Pekin Union Ry.  
Rutherford, Morris:  
Lehigh & Hudson River R. R.  
Ryan, John D.:  
Chicago, Milwaukee & St. Paul Ry.  
Ryan, Thos. F.:  
Carolina, Clinchfield & Ohio Ry.  
Sabin, Chas. H.:  
Seaboard Air Line Ry.  
Sadler, L. S.:  
Cumberland Valley R. R.  
Sanders, Newell:  
Nashville, Chattanooga & St. Louis Ry.

Sanderson, Henry:  
Colorado, Wyoming & Eastern Ry.  
Kansas City, Mexico & Orient R. R.  
Sands, Geo. L.:  
Missouri & North Arkansas R. R.  
Sargent, C. S.:  
Boston & Albany R. R.  
Sartori, J. F.:  
San Pedro, Los Angeles & Salt Lake R. R.  
Saunders, R. L.:  
Yazoo & Mississippi Valley R. R.  
Saxon, G. W.:  
Florida East Coast Ry.  
Sayles, F. A.:  
Norfolk Southern R. R.  
Scaff, C. E.:  
Missouri, Kansas & Texas Ry.  
Terminal R. R. Association of St. Louis.  
Schiff, Mortimer I.:  
Union Pacific R. R.  
Schlacks, C. H.:  
Colorado Midland Ry.  
Schley, Grant B.:  
Northern Pacific Ry.  
Schofield, A. D.:  
Georgia Southern & Florida Ry.  
Schoonmaker, J. M.:  
Pittsburgh & Lake Erie R. R.  
Schreiner, Chas.:  
San Antonio & Aransas Pass Ry.  
Schumacher, T. M.:  
Chicago, Rock Island & Pacific R. R.  
Chicago, Rock Island & Pacific Ry.  
El Paso & Southwestern Co.  
Rock Island Co.  
Schwab, V. E.:  
Nashville, Chattanooga & St. Louis Ry.  
Scott, F. W.:  
Atlantic Coast Line R. R.  
New Orleans, Mobile & Chicago R. R.  
Scott, S. C.:  
Cleveland, Akron & Cincinnati Ry.  
Scott, Townsend:  
Seaboard Air Line Ry.  
Scott, W. B.:  
Galveston, Harrisburg & San Antonio Ry.  
Houston & Texas Central R. R.  
Morgan's, Louisiana & Texas R. R. & S. S. Co.  
Northwestern Pacific R. R.  
South Pacific Coast Ry.  
Texas & New Orleans R. R.  
Scotten, S. C.:  
Chicago, Burlington & Quincy R. R.  
Scullin, John:  
Missouri & North Arkansas R. R.  
Seaman, H. W.:  
Chicago, Milwaukee & Gary Ry.

## QUESTION No. 5—Continued.

- Semple, Lorenzo:  
   Cripple Creek Central Ry.  
 Sewall, E. D.:  
   Indiana Harbor Belt R. R.  
   Kansas City Terminal Ry.  
 Seybt, C. H.:  
   Vandalia R. R.  
 Shaffer, J. C.:  
   Peoria & Eastern Ry.  
 Shallcross, William H.:  
   Huntingdon & Broad Top Mountain R. R. & Coal Co.  
 Shaughnessy, Sir Thomas G.:  
   Canadian Pacific Ry.  
   Minneapolis, St. Paul & Sault Ste. Marie Ry.  
 Shaw, E. G.:  
   Pittsburgh & Lake Erie R. R.  
 Shear, H. H.:  
   San Antonio & Aransas Pass Ry.  
 Shedd, John G.:  
   Baltimore & Ohio R. R.  
   Illinois Central R. R.  
 Shelby, W. R.:  
   Grand Rapids & Indiana Ry.  
 Sheldon, Edw. W.:  
   Louisville & Nashville R. R.  
 Sheldon, F. B.:  
   Kanawha & Michigan Ry.  
 Sheldon, G. R.:  
   New Orleans, Mobile & Chicago R. R.  
 Shepard, Finley J.:  
   Denver & Rio Grande R. R.  
   Texas & Pacific Ry.  
 Shepard, Sidney:  
   Mobile & Ohio R. R.  
 Shepley, J. F.:  
   Chicago, Milwaukee & Gary Ry.  
 Sheppard, George B.:  
   Pittsburg, Shawmut & Northern R. R.  
 Shofner, J. N.:  
   Nashville, Chattanooga & St. Louis Ry.  
 Shonts, Theodore P.:  
   Chesapeake & Ohio Ry.  
   Minneapolis & St. Louis R. R.  
   Toledo, St. Louis & Western R. R.  
 Shortridge, N. P.:  
   Cumberland Valley R. R.  
   Northern Central Ry.  
   Pennsylvania Co.  
   Pennsylvania R. R.  
   Philadelphia, Baltimore & Washington R. R.  
   West Jersey & Seashore R. R.  
   Western New York & Pennsylvania Ry.  
 Shreve, F. H.:  
   Huntingdon & Broad Top Mountain R. R. & Coal Co.  
 Shriver, George M.:  
   Cincinnati, Hamilton & Dayton Ry.
- Sielcken, Hermann:  
   Kansas City Southern Ry.  
 Simmons, George D.:  
   St. Louis & San Francisco R. R.  
 Sims, C. S.:  
   Ulster & Delaware R. R.  
 Skinner, C. W.:  
   Savannah & Northwestern Ry.  
 Skinner, Sir Thomas:  
   Canadian Pacific Ry.  
 Skinner, William:  
   Rutland R. R.  
 Sleeper, A. E.:  
   Pere Marquette R. R.  
 Sldell, Alfred:  
   New Orleans & Northeastern R. R.  
 Sloane, William:  
   Northern Pacific Ry.  
 Slocum, Joseph J.:  
   Texas & Pacific Ry.  
   Wabash R. R.  
 Small, P. A.:  
   Northern Central Ry.  
 Smith, A. H.:  
   Canada Southern Ry.  
   Chicago, Indiana & Southern R. R.  
   Cleveland, Cincinnati, Chicago & St. Louis Ry.  
   Cleveland Short Line Ry.  
   Indiana Harbor Belt R. R.  
   Kanawha & Michigan Ry.  
   Lake Erie & Western R. R.  
   Lake Shore & Michigan Southern Ry.  
   Michigan Central R. R.  
   New York Central & Hudson River R. R.  
   New York Central R. R.  
   New York, Chicago & St. Louis R. R.  
   Peoria & Eastern Ry.  
   Pittsburgh & Lake Erie R. R.  
   Rutland R. R.  
 Smith, Albert L.:  
   Buffalo & Susquehanna R. R. Corp.  
 Smith, Edw. B.:  
   Buffalo & Susquehanna R. R. Corp.  
   Lehigh Valley R. R.  
 Smith, E. M.:  
   Kansas City, Clinton & Springfield Ry.  
 Smith, F. A.:  
   Chicago, Rock Island & Pacific R. R.  
 Smith, F. H.:  
   Peoria Ry. Terminal Co.  
 Smith, Frank S.:  
   Pittsburg, Shawmut & Northern R. R.  
 Smith, H. F.:  
   Houston & Texas Central R. R.  
 Smith, Joseph F.:  
   Union Pacific R. R.

## QUESTION No. 5—Continued.

- Smith, J. W.:  
Philadelphia, Baltimore & Wash-  
ington R. R.
- Smith, M. H.:  
Atlanta & West Point R. R.  
Louisville & Nashville R. R.  
Louisville, Henderson & St. Louis  
Ry.  
Nashville, Chattanooga & St. Louis  
Ry.  
Western Ry. of Alabama.
- Smith, R. K.:  
Mississippi Central R. R.
- Smith, W. Hinckle:  
Buffalo & Susquehanna R. R.  
Corp.  
Midland Valley R. R.
- Smyth, Charles H.:  
Kansas City, Mexico & Orient  
R. R.
- Sommer, C. H.:  
Quannah, Acme & Pacific Ry.
- Spalding, J. J.:  
Atlanta, Birmingham & Atlantic  
R. R.
- Spaulding, W. C.:  
Bangor & Aroostook R. R.
- Speer, C. E.:  
Midland Valley R. R.
- Spence, L. J.:  
Southern Pacific Co.
- Spence, W. W.:  
Maryland & Pennsylvania R. R.
- Spencer, H. B.:  
Mobile & Ohio R. R.  
Virginia & Southwestern Ry.
- Speyer, James:  
Baltimore & Ohio R. R.  
Rock Island Co.
- Spoor, J. A.:  
Chicago Great Western R. R.
- Sprague, A. A., 2d:  
Chicago Great Western R. R.
- Springer, Charles:  
St. Louis, Rocky Mountain & Pa-  
cific Co.
- Sproule, William:  
Central Pacific Ry.  
Northwestern Pacific R. R.  
Philadelphia, Baltimore & Wash-  
ington R. R.  
South Pacific Coast Ry.  
Southern Pacific Co.
- Squire, A.:  
Cleveland & Pittsburg R. R.
- Stair, E. D.:  
Kansas City, Mexico & Orient  
R. R.
- Stauffer, W. R.:  
New Orleans & Northeastern R. R.
- Steele, Charles:  
Atchison, Topeka & Santa Fe Ry.  
Chicago Great Western R. R.  
Northern Pacific Ry.  
Southern Ry.
- Steiner, Robert E.:  
Central of Georgia Ry.  
Western Ry. of Alabama.
- Sterling, J. W.:  
Duluth, South Shore & Atlantic  
Ry.  
Virginian Ry.
- Stetson, Francis Lynde:  
Erle R. R.  
New York, Susquehanna & West-  
ern R. R.
- Stetson, I. K.:  
Aroostook Construction Co.
- Stevens, A. H.:  
Mobile & Ohio R. R.
- Stevens, E. B.:  
Missouri, Kansas & Texas Ry.
- Stevens, Frederick W.:  
Pere Marquette R. R.
- Stevens, George W.:  
Chesapeake & Ohio Ry.  
Hocking Valley Ry.  
Kanawha & Michigan Ry.  
Richmond, Fredericksburg & Po-  
tomac R. R.  
Richmond-Washington Co.
- Stevens, H. D.:  
Savannah & Northwestern Ry.
- Stevenson, W. F.:  
Duluth, South Shore & Atlantic  
Ry.
- Stevenson, W. W.:  
Chicago, Peoria & St. Louis R. R.
- Stewart, G. H.:  
Cumberland Valley R. R.
- Stewart, John A.:  
Chicago, Milwaukee & St. Paul Ry.
- Stewart, J. D.:  
Louisville, Henderson & St. Louis  
Ry.
- Stewart, W. T.:  
Gulf & Ship Island R. R.
- Stillman, James:  
Chicago & North Western Ry.  
Cleveland, Cincinnati, Chicago &  
St. Louis Ry.  
Delaware, Lackawanna & Western  
R. R.  
Lake Shore & Michigan Southern  
Ry.  
Michigan Central R. R.  
New York, Chicago & St. Louis  
R. R.  
Rutland R. R.
- Stockton, Phillip:  
Illinois Central R. R.
- Stone, A. J.:  
New York, Susquehanna & West-  
ern R. R.
- Stone, J. F.:  
Kanawha & Michigan Ry.
- Storey, W. B.:  
Chicago & Western Indiana R. R.  
Kansas City Terminal Ry.

## QUESTION No. 5—Continued.

- Stotesbury, Edward T.:  
 Central R. R. Co. of New Jersey.  
 Lehigh & Hudson River Ry.  
 Lehigh Valley R. R.  
 Philadelphia & Reading Ry.  
 Reading Co.
- Street, H. M.:  
 Mobile & Ohio R. R.
- Street, W. G.:  
 Kansas City Southern Ry.
- Stroud, Morris W.:  
 Huntingdon & Broad Top Mountain R. R. & Coal Co.
- Stubbs, F. P., jr.:  
 Vicksburg, Shreveport & Pacific Ry.
- Sullivan, W. H.:  
 New Orleans Great Northern R. R.
- Sullivan, W. R.:  
 Georgia & Florida Ry.
- Sutton, F. W.:  
 Chicago, Lake Shore & Eastern Ry.  
 Elgin, Joliet & Eastern Ry.
- Swartwout, R. H.:  
 Norfolk Southern R. R.
- Sweet, A. E.:  
 Terminal R. R. Association of St. Louis.
- Swenson, E. P.:  
 Southern Pacific Co.
- Swift, Geo. D.:  
 Duluth, Missabe & Northern Ry.
- Swinney, Edw. F.:  
 Chicago Great Western R. R.  
 Kansas City Southern Ry.
- Symonds, J. W.:  
 Maine Central R. R.
- Tait, Edwin E.:  
 Pittsburg, Shawmut & Northern R. R.
- Taliaferro, J. P.:  
 Seaboard Air Line Ry.
- Talmage, J. F.:  
 Delaware, Lackawanna & Western R. R.
- Tatnall, H.:  
 Baltimore, Chesapeake & Atlantic Ry.  
 Cumberland Valley R. R.  
 Long Island R. R.  
 Northern Central Ry.  
 Pennsylvania Co.  
 Pennsylvania R. R.  
 Philadelphia, Baltimore & Washington R. R.  
 Pittsburgh, Fort Wayne & Chicago Ry.  
 Western New York & Pennsylvania Ry.  
 West Jersey & Seashore R. R.
- Taylor, David H.:  
 St. Louis Southwestern Ry.
- Taylor, E. B.:  
 Cleveland, Akron & Cincinnati Ry.  
 Grand Rapids & Indiana Ry.  
 Pennsylvania Co.  
 Pittsburgh, Fort Wayne & Chicago Ry.  
 Pittsburgh, Youngstown & Ashtabula Ry.  
 Vandalla R. R.
- Taylor, Henry:  
 Green Bay & Western R. R.
- Taylor, H. A. C.:  
 Delaware, Lackawanna & Western R. R.
- Taylor, R. V.:  
 Mobile & Ohio R. R.  
 New Orleans Terminal Co.
- Taylor, Walter H.:  
 Norfolk & Western Ry.
- Terry, J. W.:  
 San Antonio & Aransas Pass Ry.
- Thaw, B.:  
 Pittsburgh, Youngstown & Ashtabula Ry.
- Thayer, E. V. R.:  
 Pere Marquette R. R.
- Thomas, D. H.:  
 Philadelphia, Baltimore & Washington R. R.
- Thomas, Eben B.:  
 Central R. R. of New Jersey.  
 Lehigh & Hudson River Ry.
- Thomas, J. W.:  
 Gulf & Ship Island R. R.
- Thomaston, W.:  
 Baltimore, Chesapeake & Atlantic Ry.
- Thompson, E. W.:  
 Nashville, Chattanooga, & St. Louis Ry.
- Thompson, Jesse:  
 Georgia & Florida Ry.
- Thompson, R. H.:  
 Alabama & Vicksburg Ry.
- Thorne, Samuel:  
 Colorado & Southern Ry.
- Thorne, W. V. S.:  
 Union Pacific R. R.
- Tiedman, Geo. W.:  
 Central of Georgia Ry.
- Tilden, Edw.:  
 Chicago & Alton R. R.  
 Toledo, St. Louis & Western R. R.
- Timmermann, L. F.:  
 Western Maryland Ry.
- Tinsley, T. D.:  
 Georgia Southern & Florida Ry.
- Tift, H. H.:  
 Georgia Southern & Florida Ry.
- Tod, Wm. S.:  
 Northern Pacific Ry.
- Todd, Percy R.:  
 Bangor & Aroostook R. R.

## QUESTION No. 5—Continued.

- Toland, W. H.:  
 Memphis, Dallas & Gulf R. R.
- Tomlinson, J. M.:  
 Central New England Ry.
- Tootle, Milton, Jr.:  
 Chicago Great Western R. R.
- Trimble, R.:  
 Elgin, Joliet & Eastern Ry.
- Tourtelot, E. M.:  
 Illinois Southern Ry.
- Truesdale, Wm. H.:  
 Delaware, Lackawanna & Western R. R.  
 Lehigh & Hudson River Ry.
- Trumbull, Frank:  
 Chesapeake & Ohio Ry.  
 Hocking Valley Ry.  
 Kanawha & Michigan Ry.  
 Minneapolis & St. Louis R. R.  
 Missouri, Kansas & Texas Ry.  
 Union Pacific R. R.
- Tuckett, P. D.:  
 Kansas City, Mexico & Orient R. R.
- Turnbull, Arthur:  
 Kansas City Southern Ry.
- Turner, J. J.:  
 Cleveland & Pittsburgh R. R.  
 Cleveland, Akron & Cincinnati Ry.  
 Grand Rapids & Indiana Ry.  
 Pennsylvania Co.  
 Pittsburgh, Fort Wayne & Chicago Ry.  
 Pittsburgh, Youngstown & Ashtabula Ry.  
 Toledo, Peoria & Western Ry.  
 Vandalia R. R.
- Tweed, Charles H.:  
 Toledo, St. Louis & Western R. R.
- Twitcheil, R. E.:  
 St. Louis, Rocky Mountain & Pacific Ry.
- Tyson, George:  
 Kansas City, Mexico & Orient R. R.
- Underwood, F. D.:  
 Cincinnati, Hamilton & Dayton Ry.  
 Erie R. R.  
 Lehigh & Hudson River Ry.  
 New York, Susquehanna & Western R. R.
- Upham, James D.:  
 Boston & Maine R. R.
- Utley, E. H.:  
 Bessemer & Lake Erie R. R.  
 Pittsburg, Bessemer & Lake Erie R. R.
- Valle, Joel F.:  
 Denver & Rio Grande R. R.
- Vallery, Geo. W.:  
 Colorado Midland Ry.
- Van Horne, Sir Wm. O.:  
 Canadian Pacific Ry.  
 Cuba R. R.
- Van Houten, Jan.:  
 St. Louis, Rocky Mountain & Pacific Co.  
 St. Louis Rocky Mountain & Pacific Ry.
- Van Vleck, W. D.:  
 El Paso & Southwestern Co.
- Van Winkle, J. Q.:  
 Kanawha & Michigan Ry.
- Vanderbult, Cornelius:  
 Delaware & Hudson Co.  
 Illinois Central R. R.  
 Yazoo & Mississippi Valley R. R.
- Vanderbilt, Frederick W.:  
 Canada Southern Ry.  
 Chicago & North Western Ry.  
 Chicago, St. Paul, Minneapolis & Omaha Ry.  
 Cleveland, Cincinnati, Chicago & St. Louis Ry.  
 Lake Erie & Western R. R.  
 Lake Shore & Michigan Southern Ry.  
 Michigan Central R. R.  
 New York Central & Hudson River R. R.  
 New York Central R. R.  
 New York, Chicago & St. Louis R. R.  
 Pittsburgh & Lake Erie R. R.
- Vanderbilt, H. S.:  
 Chicago & Northwestern Ry.  
 Chicago, St. Paul, Minneapolis & Omaha Ry.  
 Cleveland, Cincinnati, Chicago & St. Louis Ry.  
 Delaware, Lackawanna & Western R. R.  
 Kanawha & Michigan Ry.  
 Lake Erie & Western R. R.  
 New York Central & Hudson River R. R.  
 New York Central R. R.  
 New York, Chicago & St. Louis R. R.  
 Pittsburgh & Lake Erie R. R.
- Vanderbilt, Wm. K.:  
 Canada Southern Ry.  
 Chicago & North Western Ry.  
 Chicago, St. Paul, Minneapolis & Omaha Ry.  
 Cleveland, Cincinnati, Chicago & St. Louis Ry.  
 Indiana Harbor Belt R. R.  
 Lake Erie & Western R. R.  
 Lake Shore & Michigan Southern Ry.  
 Michigan Central R. R.  
 New York Central & Hudson River R. R.  
 New York Central R. R.  
 New York, Chicago & St. Louis R. R.  
 Pittsburgh & Lake Erie R. R.

## QUESTION No. 5—Continued.

- Vanderbilt, W. K., Jr.:  
   Boston & Albany R. R.  
   Chicago & North Western Ry.  
   Chicago, Indiana & Southern R. R.  
   Chicago, St. Paul, Minneapolis & Omaha Ry.  
   Cleveland, Cincinnati, Chicago & St. Louis Ry.  
   Lake Erie & Western R. R.  
   Lake Shore & Michigan Southern Ry.  
   Michigan Central R. R.  
   New York Central & Hudson River R. R.  
   New York Central R. R.  
   New York, Chicago & St. Louis R. R.  
   Pittsburgh & Lake Erie R. R.  
   Peoria & Eastern Ry.  
   Rutland R. R.  
 Vanderlip, F. A.:  
   Missouri, Kansas & Texas Ry.  
 Vandiver, M.:  
   Baltimore, Chesapeake & Atlantic Ry.  
 Varley, John:  
   Alabama, New Orleans, Texas & Pacific Junction Rys. (Ltd.).  
 Veeder, Herman G.:  
   Vandalla R. R.  
 Wadden, W. M.:  
   Denver & Salt Lake R. R.  
 Wade, F. J.:  
   St. Louis & San Francisco R. R.  
 Waffle, Jonas:  
   Chicago, Milwaukee & Gary Ry.  
 Waite, M. R.:  
   Cincinnati, New Orleans & Texas Pacific Ry.  
 Waldo, Henry L.:  
   St. Louis, Rocky Mountain & Pacific Ry.  
 Wales, C. E.:  
   Wisconsin Central Ry.  
 Walker, Bertrand:  
   Chicago, Indiana & Southern Ry.  
 Walker, G. H.:  
   Quannah, Acme & Pacific Ry.  
 Walker, Jos., Jr.:  
   Chicago & Eastern Illinois R. R.  
 Walker, Roberts:  
   Chicago & Alton R. R.  
   Chicago, Rock Island & Pacific R. R.  
   Chicago, Rock Island & Pacific Ry.  
 Walker, W. W.:  
   Duluth, South Shore & Atlantic Ry.  
 Wallace, Geo. R.:  
   Fitchburg Ry.  
 Wallace, John F.:  
   Savannah & Northwestern Ry.  
 Wallace, J. N.:  
   Galveston, Harrisburg & San Antonio Ry.  
   Houston & Texas Central R. R.  
   Southern Pacific Co.  
   Texas & New Orleans R. R.  
 Wallace, Sumner:  
   Concord & Montreal R. R.  
 Walmsley, R. M.:  
   New Orleans & Northeastern R. R.  
 Walsh, J. W.:  
   Illinois Southern R. R.  
 Walters, H.:  
   Atlanta & West Point R. R.  
   Atlantic Coast Line R. R.  
   Louisville & Nashville R. R.  
   New Orleans, Mobile & Chicago R. R.  
   Northern Central Ry.  
   Richmond-Washington Co.  
   Western Ry. of Alabama.  
 Warburg, Felix M.:  
   Baltimore & Ohio R. R.  
 Ware Chas. E.:  
   Fitchburg R. R.  
 Warfield, S. D.:  
   Carolina, Atlantic & Western Ry.  
   Seaboard Air Line Ry.  
 Warner, A. D.:  
   Philadelphia, Baltimore & Washington R. R.  
 Warner, Percy:  
   Nashville, Chattanooga & St. Louis Ry.  
 Warner, R. S.:  
   Hocking Valley Ry.  
 Warren, C. H.:  
   Chicago, Peoria & St. Louis R. R.  
 Warren, P. B.:  
   Chicago, Peoria & St. Louis R. R.  
 Warriner, S. D.:  
   Lehigh & Hudson River Ry.  
 Washington, J. E.:  
   Nashville, Chattanooga & St. Louis Ry.  
 Waterbury, John I.:  
   Chicago, Indianapolis & Louisville Ry.  
   Louisville & Nashville R. R.  
 Waters, Dudley E.:  
   Pere Marquette R. R.  
 Watson, E. F.:  
   Carolina, Clinchfield & Ohio Ry.  
 Watson, John:  
   Bangor & Aroostook R. R.  
 Wattles, G. W.:  
   Chicago Great Western R. R.  
 Watts, George T.:  
   Seaboard Air Line Ry.  
 Webb, W. Seward:  
   Lake Shore & Michigan Southern R. R.  
   Rutland R. R.



## QUESTION No. 5—Continued.

- Webber, H. W.:  
     San Antonio, Uvalde & Gulf R. R.  
 Webster, F. G.:  
     Boston & Albany R. R.  
 Wels, S. W.:  
     Yazoo & Mississippi Valley R. R.  
 Weissinger, Harry:  
     Louisville, Henderson & St. Louis  
     Ry.  
 Wells, C. H.:  
     Mississippi Central R. R.  
 West, Thomas H.:  
     St. Louis, Brownsville & Mexico  
     Ry.  
 Wetmore, F. O.:  
     Chicago, Terre Haute & South-  
     eastern Ry.  
     Illinois Southern Ry.  
 Whigham, George H.:  
     Cuba R. R.  
 Whigham, W. K.:  
     Carolina, Clinchfield & Ohio Ry.  
 Whitaker, Edwards:  
     Chicago, Milwaukee & Gary Ry.  
 White, Benjamin C.:  
     Concord & Montreal R. R.  
 White, L. C.:  
     St. Louis, Rocky Mountain &  
     Pacific Co.  
 White, W. H.:  
     Richmond, Fredericksburg & Po-  
     tomac R. R.  
 Whitehead, C. N.:  
     Kansas City Terminal Ry.  
 Whitney, Eli:  
     New York, New Haven & Hartford  
     R. R.  
 Whitney, Payne:  
     Northern Pacific Ry.  
 Whittemore, Harris:  
     New York, New Haven & Hartford  
     R. R.  
 Whittington, A. G.:  
     International & Great Northern  
     Ry.  
 Wick, H. K.:  
     Pittsburgh, Youngstown & Ash-  
     tabula Ry.  
 Wickersham, Charles A.:  
     Atlanta & West Point R. R.  
     Western Ry. of Alabama.  
 Wickes, E. A.:  
     Canada Southern Ry.  
 Widener, Joseph E.:  
     Philadelphia & Reading Ry.  
     Reading Co.  
 Wiggin, A. H.:  
     Erie R. R.  
     Seaboard Air Line Ry.  
 Wight, Pearl:  
     New Orleans & Northeastern R. R.  
 Wilbur, A. H.:  
     Lehigh & Hudson River Ry.
- Wilbur, G. I.:  
     Delaware & Hudson Co.  
     Ulster & Delaware R. R.  
 Wilbur, R. H.:  
     Lehigh & Hudson River Ry.  
 Wilbur, W. A.:  
     Western Maryland Ry.  
 Wilkinson, J. M.:  
     Georgia & Florida Ry.  
 Willard, Daniel:  
     Central R. R. Co. of New Jersey.  
     Cincinnati, Hamilton & Dayton  
     Ry.  
     Cincinnati, New Orleans & Texas  
     Pacific R. R.  
     Kentucky & Indiana Terminal  
     R. R.  
     Philadelphia & Reading Ry.  
     Reading Co.  
     Richmond-Washington Co.  
 Willard, William C.:  
     Kanawha & Michigan Ry.  
 Williams, A. T.:  
     Florida East Coast Ry.  
 Williams, H. R.:  
     Chicago, Milwaukee & St. Paul  
     Ry.  
 Williams, J. G.:  
     Vandalia R. R.  
 Williams, L. M.:  
     Georgia & Florida Ry.  
 Williams, Moses:  
     Fitchburg R. R.  
 Williams, Moses, jr.:  
     Fitchburg R. R.  
 Williams, M. R.:  
     St. Louis, Rocky Mountain & Pa-  
     cific Ry.  
 Williams, R. Lancaster:  
     Georgia & Florida Ry.  
     International & Great Northern  
     Ry.  
 Williams, Wm. H.:  
     Delaware & Hudson Co.  
     Kansas City Southern Ry.  
 Williamson, Bright:  
     Carolina, Atlantic & Western Ry.  
 Wilson, Bluford:  
     Chicago, Peoria & St. Louis R. R.  
 Wilson, D. L.:  
     Pittsburgh & Lake Erie R. R.  
 Wilson, Lewis, F.:  
     Pittsburg, Shawmut & Northern  
     R. R.  
 Wilson, Wm. J.:  
     Green Bay & Western R. R.  
 Wilson, Wm. W.:  
     Pittsburg, Shawmut & Northern  
     R. R.  
 Winburn, W. A.:  
     Atlanta & West Point R. R.  
     Central of Georgia Ry.  
     Western Ry. of Alabama.

## QUESTION No. 5—Continued.

Winchell, B. L.:	Woolworth, C. S.:
New Orleans, Texas & Mexico R. R.	Mississippi Central R. R.
Winsor, Robert:	Worcester, H. A.:
Fitchburg R. R.	Terminal R. R. Association of St. Louis.
Winslow, Edward B.:	Workum, Julius F.:
Maine Central R. R.	Buffalo & Susquehanna R. R. Corp.
Winthrop, H. Rogers:	Wortham, H. M.:
Wabash R. R.	Georgia Southern & Florida Ry.
Wise, E. M.:	Wright, C. B.:
Missouri & North Arkansas R. R.	Cincinnati, New Orleans & Texas Pacific Ry.
Wistar, J.:	Wyman, O. C.:
West Jersey & Seashore R. R.	Minneapolis, St. Paul & Sault Ste. Marie Ry.
Wolcott, Samuel H.:	Wynn, F. S.:
Aroostook Construction Co.	Alabama Great Southern R. R.
Wolf, Jacob:	Virginia & Southwestern Ry.
San Antonio, Uvalde & Gulf R. R.	Yarnell, Charleston:
Wollman, Wm. J.:	Buffalo & Susquehanna R. R. Corp.
Minneapolis & St. Louis R. R.	Yoakum, B. F.:
Wood, Edward:	New Orleans, Mobile & Chicago R. R.
Aroostook Construction Co.	St. Louis & San Francisco R. R.
Wood, George:	Seaboard Air Line Ry.
Pennsylvania Co.	Yoakum, R. D.:
Pennsylvania R. R.	Quannah, Acme & Pacific Ry.
West Jersey & Seashore R. R.	Young, E. A.:
Western New York & Pennsylvania Ry.	Minneapolis, St. Paul & Sault Ste. Marie Ry.
Wood, Joseph:	Young, Howard E.:
Norfolk & Western Ry.	Maryland & Pennsylvania R. R.
Pennsylvania R. R.	Young, H. G.:
Toledo, Peoria & Western Ry.	Ulster & Delaware R. R.
Woodward, A. H.:	Young, Joseph H.:
Seaboard Air Line Ry.	Norfolk Southern R. R.
Woodward, D. J.:	Zerbe, J. B.:
San Antonio, Uvalde & Gulf R. R.	Hocking Valley Ry.
Woolford, C. W.:	
Cincinnati, Hamilton & Dayton Ry.	
Woolverton, Samuel:	
Buffalo, Rochester & Pittsburgh Ry.	
Mobile & Ohio R. R.	

## QUESTION No. 6.

[Total miles, 81,851.23.]

Alabama, New Orleans, Texas & Pacific Junction Rys. Co. (Ltd.)	Miles.
(Holding Co., no mileage).	
Ann Arbor R. R.	291.90
Atchison, Topeka & Santa Fe Ry.	10,961.23
Baltimore & Ohio R. R.	4,478.22
Buffalo & Susquehanna R. R. Corp.	252.56
Central Indiana Ry.	127.04
Central of Georgia Ry.	1,924.09
Central Pacific Ry.	2,205.46
Chicago Great Western R. R.	2,150.91
Chicago, Indianapolis & Louisville Ry.	617.94
Chicago, Peoria & St. Louis R. R.	235.47
Chicago, Terre Haute & Southeastern Ry.	374.99
Cincinnati, Hamilton & Dayton Ry.	1,015.27
Colorado & Southern Ry.	1,866.48
Colorado Midland Ry.	337.64
Colorado, Wyoming & Eastern Ry.	111.35
Cripple Creek Central Ry.	109.81

# 7720 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

	Miles.
Denver & Salt Lake R. R.	255.00
Denver, Laramie & Northwestern R. R.	56.50
Detroit & Mackinac Ry.	404.44
Detroit, Toledo & Ironton R. R.	441.29
Erie R. R.	2, 257.40
Georgia Southern & Florida Ry.	395.00
Grand Rapids & Indiana Ry.	568.86
Green Bay & Western R. R.	225.00
Houston & Shreveport R. R.	39.78
Houston, East & West Texas Ry.	190.94
Illinois Southern Ry.	139.65
International & Great Northern Ry.	1, 159.50
Kanawha & Michigan Ry.	176.00
Kansas City, Mexico & Orient R. R.	1, 967.72
Kansas City Southern Ry.	827.17
Kentucky & Indiana Terminal R. R.	16.44
Louisville, Henderson & St. Louis Ry.	199.80
Maryland, Delaware & Virginia Ry.	83.62
Middletown & Unionville R. R.	15.53
Midland Valley R. R.	375.00
Minneapolis & St. Louis R. R.	1, 646.47
Mississippi Central R. R.	164.00
Missouri & North Arkansas R. R.	365.24
Missouri, Kansas & Texas Ry.	3, 865.07
New Orleans & Northeastern R. R.	203.73
New Orleans, Mobile & Chicago R. R.	402.90
New York, Philadelphia & Norfolk R. R.	112.00
Norfolk & Western Ry.	2, 036.85
Norfolk Southern R. R.	900.04
Northern Pacific Ry.	6, 441.32
Nypano R. R.	440.55
Oklahoma Central R. R.	185.67
Pacific & Eastern Ry.	32.86
Pere Marquette R. R.	2, 321.77
Philadelphia & Reading Ry. }	
Reading Co. }	2, 215.69
St. Louis Southwestern Ry.	1, 753.80
San Antonio & Aransas Pass Ry.	723.80
Savannah & Statesboro Ry.	90.20
Seaboard Air Line Ry.	3, 067.55
Southern Ry.	7, 009.94
Tennessee Central R. R.	293.71
Tennessee, Kentucky & Northern R. R.	17.00
Toledo, St. Louis & Western R. R.	450.58
Toledo Terminal R. R.	31.27
Union Pacific R. R.	7, 777.17
Vicksburg, Shreveport & Pacific Ry.	188.47
Western Maryland Ry.	661.23
Western New York & Pennsylvania Ry.	509.93
Wheeling & Lake Erie R. R.	508.39
Wheeling Terminal Ry.	9.65
Wisconsin Central Ry.	1, 120.23
Wisconsin, Minnesota & Pacific R. R.	277.43
Zanesville Terminal R. R.	16.44

## QUESTION No. 7.

[Total miles, 81,851.23.]

Alabama, New Orleans, Texas & Pacific Junction Rys. Co. (Ltd.):

In October, 1890, a plan of reorganization was formulated and carried through without foreclosure, the receiver (Francis Pavy) being discharged April 6, 1891. Plan of reorganization submitted in London, by Capt. Francis Pavy.

<sup>1</sup> Including 226.20 miles in Mexico.

**Ann Arbor R. R.:**

Incorporated September 21, 1895, in Michigan; successor to the Toledo, Ann Arbor & North Michigan R. R., sold under foreclosure, July 2, 1895. Wellington R. Burt, of Toledo, Ohio, was receiver of the old company. Reorganization committee was composed of G. W. Quintard, chairman, 6 Wall Street, New York; A. F. Eno, J. Edward Simmons, R. M. Gallaway, E. K. Wright, R. C. Martin, and Cyrus J. Lawrence. Depositaries: Central Trust Co. and Metropolitan Trust Co., New York.

**Atchison, Topeka & Santa Fe Ry.:**

Incorporated December 12, 1895, in Kansas; successor, as of January 1, 1896, to the Atchison, Topeka & Santa Fe R. R., sold under foreclosure December 10, 1895. Receivers were J. J. McCook, Boston; J. J. Wilson, Topeka, Kans.; A. F. Walker, Chicago. Reorganization committee included Edward King, chairman, R. Somers Hayes, Edward N. Gibbs, George G. Haven, Adrian Iselin, jr., C. Silgo De Pothouler, Robert Fleming, John Luden, Victor Morawetz, with Herman Cobbe as secretary. Counsel for committee, Charles C. Beaman, and Victor Morawetz.

**Baltimore & Ohio R. R.:**

Property of company was placed in the hands of John K. Cowen and Oscar G. Murray, as receivers, on February 29, 1896, but was restored to the company July 1, 1896, under a reorganization plan, dated July 22, 1896, carried out without foreclosure. Reorganization managers were Speyer Bros. of London, and Speyer & Co., and Kuhn, Loeb & Co., New York, acting in conjunction with an advisory committee composed of Louis Fitzgerald, E. R. Bacon, Henry Budge, and William A. Read, with Alvin W. Krech as secretary and William C. Gulliver as counsel. Plan had indorsement of the following banking firms: J. P. Morgan & Co., Brown Bros. & Co., Baring, Magoun & Co., Kuhn, Loeb & Co., Vermilye & Co., J. S. Morgan & Co., Brown, Shipley & Co., Baring Bros. & Co. (Ltd.), Speyer & Co., and Speyer Bros. Both classes of stock of reorganized company were vested in the following five voting trustees for a period of five years: William Salomon, Abraham Wolff, J. Kennedy Tod, Louis Fitzgerald, and Charles H. Coster.

**Buffalo & Susquehanna R. R. Corp.:**

Incorporated December 30, 1913, in Pennsylvania, and acquired as of January 1, 1914, property of the Buffalo & Susquehanna R. R., sold under foreclosure December 4, 1913. H. I. Miller was receiver of the railroad company. Protective committees were formed in the interests of preferred stockholders and bondholders, as follows: For preferred stock, J. N. Wallace, chairman, Frank Bergen, Walter P. Bliss, Henry Evans, Joseph S. Frellinghuysen, with Hugh Rankin, secretary, 41 Cedar Street, New York, and the Central Trust Co. as depositary. For refunding bonds, Alvin W. Krech, John L. Billard, J. S. Farlee, Charles L. Pack, Edward B. Smith, Robert Windsor, Arthur L. Allin, with Lyman Rhoades, secretary, 37 Wall Street, New York, and the Equitable Trust Co., depositary. Voting trust: The common and preferred stocks of the Buffalo & Susquehanna R. R. Corp., other than 89 shares of preferred stock issued to persons who became directors, were issued in the names of and delivered to Philip G. Bartlett, Jacob S. Farlee, and Edward B. Smith, voting trustees, to be held for five years. Edward B. Smith & Co. have offered the bonds of the new corporation.

**Central Indiana Ry.:**

Incorporated March 16, 1903, in Indiana, successors to Chicago & South eastern Ry., sold under foreclosure February 19, 1903. President J. T. Dye was the receiver of the old company. The new bonds of the reorganized company were purchased by Pfaelzer, Walker & Co., and Dominick & Dominick.

**Central of Georgia Ry.:**

Incorporated October 17, 1895, in Georgia, to succeed Central R. R. & Banking Co. of Georgia, and the Savannah & Western R. R., sold under foreclosure October 7 and October 5, 1895, respectively. The bondholders' committee connected with the reorganization consisted of Frederick Cromwell, chairman, New York, Edward M. Gibbs, and Adrian Iselin, jr. Depositary: New York Guaranty & Indemnity Co.

**Central Pacific Ry.:**

Incorporated July 29, 1899, in Utah, and acquired all the property, etc., of the Central Pacific R. R. under a plan of readjustment, issued February 8, 1899, prepared by Messrs. Speyer & Co. and their associates. According to this plan the Southern Pacific Co. acquired the entire capital stock and guaranteed the principal and interest of the two new bond issues of the re-

organized company. F. G. Banbury was chairman of the London stockholders' committee; Speyer & Co., New York, looked after the first-mortgage bonds; and Speyer & Co., Deutsche Bank, and Teixeira De Mattos Bros., formed a committee for holders of the 5 per cent bonds, due 1889, of the old railroad company. Speyer & Co. acted as syndicate managers for the sale of the new Central Pacific Ry. bonds, and the Southern Pacific bonds, which the syndicate agreed to take under the readjustment plan. Messrs. Brown Bros. & Co. and F. S. Smithers & Co. were interested.

#### Chicago Great Western R. R.:

Incorporated August 19, 1909, in Illinois; successor to Chicago Great Western Ry., sold under foreclosure August 21, 1909. J. P. Morgan Co., New York, acted as reorganization managers. Receivers of the old company were President Stickney and C. H. S. Smith, of St. Paul. The following protective committees were appointed: (1) For noteholders—Otto T. Bannard, New York, chairman, Sydney C. Borg, and Winthrop Burr, with New York Trust Co., depository. (2) For debenture stock—William Read, chairman, Edwin M. Bulkley, George P. Butler, Frederick H. Ecker, and Frederick W. Whitridge, with Bankers' Trust Co., New York, depository. (3) For common and preferred stock—John W. Castles, chairman, Myron T. Herrick, Hugo Blumenthal, and J. Horace Harding, with Guaranty Trust Co., New York, depository. Voting trust for stock of new company was vested for five years in J. P. Morgan, George F. Baker, and Robert Fleming as voting trustees.

#### Chicago, Indianapolis & Louisville Ry.:

Incorporated March 31, 1897, in Indiana as reorganization of Louisville, New Albany & Chicago Ry., sold under foreclosure March 10, 1897. Reorganization committee consisted of F. P. Olcott, Henry W. Poor, and Henry C. Rouse. Depository for committee was Central Trust Co., New York. Pomroy Bros. and W. D. Barbour & Co., both of New York, opposed the plan prepared by the above reorganization committee.

#### Chicago, Peoria & St. Louis R. R.:

Incorporated December 6, 1909, in Illinois, and on January 1, 1913, took possession of property of Chicago, Peoria & St. Louis Ry. of Illinois, sold under foreclosure November 18, 1912. Receivers of the old company were John P. Ramsey and Henry M. Merriam, Springfield, Ill. The reorganization committee consisted of Charles H. Warren, chairman, George F. Baker, Jr., and Alfred Shepherd, with W. W. Stevenson, secretary, 34 Nassau Street, New York, and Bankers' Trust Co., New York, depository. Voting trust: Stock is held in voting trust expiring in 1915. Voting trustees are George F. Baker, Jr., Charles H. Warren, and Alfred Shepherd.

#### Chicago, Terre Haute & Southeastern Ry.:

Incorporated November 26, 1910, in Indiana; successor to Southern Indiana Ry., sold under foreclosure November 3, 1910, and Chicago Southern Ry., sold under foreclosure November 4, 1910. Myron J. Carpenter was receiver of the old company. The reorganization committee consisted of Emile K. Boisot, Anton G. Hodenpyl, C. D. Smithers, Melvin B. Johnson, and Festus J. Wade, with Girard Trust Co., Philadelphia, and First Trust & Savings Bank, Chicago, depositories. F. J. Lisman & Co., New York, purchased \$2,500,000 first and refunding fines issued under the reorganization plan.

#### Cincinnati, Hamilton & Dayton Ry.:

On December 4, 1905, Judge Judson Harmon was appointed receiver for the company. Finances of the company were adjusted, without foreclosure, under a plan dated June, 1909, and the company resumed possession of its properties on August 19, 1909. In accordance with this plan the Baltimore & Ohio R. R. Co. acquired control. For further details see question 8.

#### Colorado & Southern Ry.:

Incorporated December 19, 1898, in Colorado; successor to Union Pacific, Denver & Gulf Ry., and Denver, Leadville & Gunnison Ry., sold under foreclosure November 19 and 18, 1898, respectively. Frank Trumbull, receiver of old companies. Committee for the consolidated bondholders of 1890 included Grenville M. Dodge, chairman, George M. Pullman, J. Kennedy Tod, Oliver Ames, Harry Walters, Henry Budge, Henry Levis, and Uriah Hermann, with Central Trust Co., New York, and American Loan & Trust Co., Boston, depositories. A syndicate was formed by Hallgarten & Co. and J. Kennedy Tod & Co. to underwrite stockholders' payments and purchase new security provided in the plan. Voting trust: All classes of stock were vested in the following voting trustees—Grenville M. Dodge, Frederick P. Olcott, Harry Walters, Henry Budge, and J. Kennedy Tod.

**Colorado Midland Ry.:**

Incorporated October 11, 1897, in Colorado; successor to Colorado Midland R. R., sold under foreclosure September 8, 1897. George W. Ristine was receiver of old company. The reorganization committee included Frederick P. Olcott, chairman, Charles F. Ayer, James N. Jarvie, George Mosle, William D. Rathbone, William D. Sloane, with Central Trust Co., New York, depositary, and Adrian H. Joline, counsel.

**Colorado, Wyoming & Eastern Ry.:**

Incorporated June 2, 1914, in Colorado and took over, June 4, 1914, property of Laramie, Hahns Peak & Pacific Ry., sold under foreclosure in May, 1914. Fred A. Miller was receiver for old company. The reorganization committee consisted of Alexander J. Hemphill, W. Frederick Snyder, Henry Sanderson, and Lawrence Barnum, with the Guaranty Trust Co., New York, depositary. Voting trust: All shares of stock, except directors' shares, are deposited in voting trust agreement with Alexander J. Hemphill, Henry Sanderson, and Trowbridge Callaway as voting trustees. Voting trust shall continue until all accrued interest on income bonds shall have been paid and current interest on said bonds paid regularly for two consecutive years.

**Cripple Creek Central Ry.:**

Incorporated September 30, 1904, in Maine; successor to Denver & Southwestern Ry., sold under foreclosure October 4, 1904. Reorganization committee consisted of Charles F. Ayer, Arthur H. Day, R. E. F. Flinsch, C. E. A. Goldman, Montgomery Rollins, with New York Security & Trust Co., State Street Trust Co., Boston, and Toronto Safe Deposit & Agency Co., depositaries.

**Denver & Salt Lake R. R.:**

Incorporated December 16, 1912, in Colorado, and on May 1, 1913, acquired property of Denver, Northwestern & Pacific Ry. Co., sold under foreclosure April 23, 1913. D. C. Dodd and S. M. Perry were receivers of old company. The reorganization plan, dated September 3, 1912, was entered into between the noteholders' committee of the Denver Ry. Securities Co. and Newman Erb. Committee included Benjamin Strong, Jr. (chairman), George H. Burr, E. F. Shanbacher, Herman Waldeck, and Henry H. Wehrhane, with Bankers' Trust Co., New York, depositary. Newman Erb received \$1,659,000 new first mortgage bonds, and the entire \$10,000,000 outstanding capital stock of the new company was distributed to the Erb syndicate and the Denver Ry. Securities Co.

**Denver Laramie & Northwestern R. R.:**

Incorporated February 8, 1910, in Wyoming; successor to Denver, Laramie & Northwestern Ry., the authorized capital stock having been increased from \$5,000,000 to \$30,000,000. No committees were appointed at the time.

**Detroit & Mackinac Ry.:**

Incorporated December 29, 1894, in Michigan; successor to Detroit, Bay City & Alpena R. R., sold under foreclosure November 8, 1894. Don M. Dixon was receiver of old company. Messrs. J. P. Morgan & Co. issued a plan of reorganization dated January 10, 1895.

**Detroit, Toledo & Ironton R. R.:**

Incorporated February 21, 1914, in Delaware; successor to Detroit, Toledo & Ironton Ry., the Ohio Southern division of which was sold at foreclosure sale April 17, 1913, and the northern and southern divisions on June 28, 1913. The Detroit, Toledo & Ironton Ry. was incorporated May 2, 1905, as successor to the Detroit Southern R. R. The reorganization committee for the Detroit, Toledo & Ironton Ry. included William Church Osborn (chairman), Otto T. Bannard, Sidney C. Borg, Frederick H. Ecker, with New York Trust Co. depositary. The chairmen of the various committees of old securities were as follows: J. N. Wallace for Detroit, Southern-Ohio Southern first mortgage bonds; Otto T. Bannard for general lien and divisional bonds; Francis Henderson for consolidated mortgage bonds; Joseph Ramsey, Jr., for collateral trust notes; Willard V. King for stockholders; Alexander J. Hemphill for preferred stockholders.

**Erie R. R.:**

Incorporated November 14, 1895, in New York; successor as of December 1, 1895, to the New York, Lake Erie & Western R. R., sold under foreclosure November 6, 1895. The reorganization committee plan was prepared under supervision of Messrs. J. P. Morgan & Co. The reorganization committee included C. H. Coster, Louis Fitzgerald, and Anthony J. Thomas. Stock of the new company was held for five years in a voting trust whose members were

named by J. P. Morgan & Co. and J. S. Morgan & Co. A syndicate formed by Harvey Flisk & Sons, New York, purchased from the underwriting syndicate the \$15,000,000 first consolidated prior lien bonds provided for in the reorganization plan.

**Georgia Southern & Florida Ry.:**

Incorporated May 22, 1895, in Georgia; successor to Georgia Southern & Florida R. R., sold under foreclosure April 2, 1895. Willis B. Sparks was receiver for old company. Reorganization committee included H. P. Smart, Savannah; Thomas B. Gresham, Baltimore; D. U. Herrmann, New York; William C. Shaw, Baltimore; Charles Watkins, Richmond; Henry Rice, New York; Charles D. Fisher, Baltimore; with Mercantile Trust & Deposit Co., Baltimore, depository. Maryland Trust Co., Baltimore, offered \$1,500,000 first mortgage 5 per cent bonds of new company authorized under reorganization plan.

**Grand Rapids & Indiana Ry.:**

Incorporated July 11, 1896, in Michigan, and July 13, 1896, in Indiana; successor to Grand Rapids & Indiana R. R., sold under foreclosure June 10, 1896. Reorganization committee included James B. Potter, New York; Harry F. West, Philadelphia; and Moses L. Scudder, New York; with Commonwealth Title, Insurance & Trust Co., Philadelphia, depository.

**Green Bay & Western R. R.:**

Incorporated June 5, 1896, in Wisconsin; successor to Green Bay, Winona & St. Paul R. R., sold under foreclosure May 12, 1896. The following two committees were formed: (1) For first consolidated bonds of old company—Mark T. Cox (chairman), William J. Hunt, and C. Ledyard Blair; (2) for stockholders and income bondholders—John I. Waterbury (chairman), Mayer Lehman, Edwin S. Hooley, and H. Tuckerman. Depository: Manhattan Trust Co., New York. These two committees agreed upon a plan of reorganization dated September 11, 1895.

**Houston & Shreveport R. R.:**

Incorporated in December, 1891, in Louisiana; successor to the Shreveport & Houston Ry., sold under foreclosure June 2, 1890. M. E. Howe was receiver of old company.

**Houston East & West Texas Ry.:**

Incorporated in 1897 in Texas; reorganization of company of same name in August, 1896, without foreclosure or receivership. In June, 1896, control acquired by Blair & Co., New York. The reorganization committee consisted of James A. Blair, John B. Dennis, H. O. Selvas, C. Lombardi, W. K. Gillett, with Blair & Co., New York, depository.

**Illinois Southern Ry.:**

Incorporated May 21, 1900, in Illinois; successor to Centralia & Chester R. R., foreclosed May 16, 1900. C. M. Foreman, of Nashville, Ill., was receiver of old company.

**International & Great Northern Ry.:**

Incorporated August 8, 1911, in Texas; successor to International & Great Northern R. R., sold under foreclosure June 13, 1911. Reorganization plan was issued by committee of third-mortgage bondholders of old company, consisting of Alvin W. Krech, Edward T. Jeffery, and Frank Jay Gould, with Equitable Trust Co., New York, depository. An agreement was made with Redmond & Co. and J. & W. Seligman & Co., of New York, and Middendorf, Williams & Co., Baltimore, for the sale of \$11,000,000 of three-year 5 per cent notes created under reorganization plan. An agreement was also made with a syndicate under the management of the Equitable Trust Co., New York, for the sale of additional securities issuable under plan to provide for cash requirements.

**Kanawha & Michigan Ry.:**

Incorporated April 24, 1890, in Ohio and West Virginia; successor to Kanawha & Ohio Ry., sold under foreclosure March 4, 1890, to Nelson Robinson and W. B. Post, representing bond and stockholders and other interests. The Mercantile Trust Co., New York, brought foreclosure proceedings.

**Kansas City, Mexico & Orient R. R.:**

Incorporated July 7, 1914, in Kansas and acquired property of Kansas City, Mexico & Orient Ry., sold at foreclosure July 6, 1914. Committee: The following committee was formed to protect first-mortgage bondholders of old company—Lord Munson, chairman, Cecil Braithwaite, Harry Bronner, Granville Farquhar, Frederick Hurdle, Willard V. King, L. F. Loree, Henry P. McIntosh, T. P. Shonts, George A. Touche, S. Davies Warfield, W. T.

Kemper, E. D. Stair, with Columbia-Knickerbocker Trust Co., New York, and Glyn, Mills, Currie & Co., London, depositaries. Notes of the new railroad company were offered in April, 1914, by the Columbia-Knickerbocker Trust Co. and Charles D. Barney & Co.

**Kansas City Southern Ry.:**

Incorporated March 19, 1900, in Missouri; successor to Kansas City, Pittsburg & Gulf R. R., sold under foreclosure March 19, 1900. Webster Withers, of Kansas City, and S. W. Fordyce, of St. Louis, were receivers of old company. Two committees were formed as follows: (1) Philadelphia committee—William F. Harry, chairman, Seaboard National Bank, New York; Provident Life & Trust Co. and Guardian Trust Co., Philadelphia, depositaries; (2) New York committee—Ernst Thalmann, chairman; Mercantile Trust Co., New York, depositary. The Harry committee issued a reorganization plan which was approved by the New York committee. Voting trust: Stock of new company was placed in a five-year voting trust. Voting trustees were J. W. Gates, William Edenborn, Herman Sietcken, John Lambert, Samuel R. Shipley, Louis Fitzgerald, James Stillman.

**Kentucky & Indiana Terminal R. R.:**

Incorporated August 8, 1900, in Kentucky, as the Kentucky & Indiana Bridge & R. R.; successor to Kentucky & Indiana Bridge Co., sold under foreclosure January 18, 1900, to A. P. Humphrey, of Louisville, representing the Southern Ry. Co., and Judson Harmon, of Cincinnati, representing the Baltimore & Ohio Southwestern R. R. Name was changed in December, 1910, to Kentucky & Indiana Terminal R. R.

**Louisville, Henderson & St. Louis Ry.:**

Incorporated May 29, 1896, in Kentucky; successor to Louisville, St. Louis & Texas Ry., sold under foreclosure. The reorganization committee consisted of John J. McCook, Charles G. Van Nostrand, New York; Harry Weissinger, Oscar Fenley, Louisville. Voting trust: Preferred and common stock of new company was issued to John J. McCook, Brayton Ives, and Oscar Fenley, as trustees, to be held for 10 years.

**Maryland, Delaware & Virginia Ry.:**

Incorporated January 30, 1905, in Maryland; successor, under plan of reorganization, on February 1, 1905, to property of Queen Anne's R. R. Co., Chester River Steamboat Co., and Weems Steamboat Co. Scott & Co., of Wilmington, Del., arranged consolidation. Maj. John S. Gibbs, president of the Citizens' National Bank, of Baltimore, was chairman of the reorganization committee. The \$2,000,000 first mortgage 5 per cent bonds of new company were offered by Rudolph Kleybolte & Co. in March, 1905. A large block of preferred stock was held in a pool expiring January 2, 1910. This trust included John F. Williams (chairman), John S. Gittings, and Douglas H. Gordon.

**Middletown & Unionville R. R.:**

Incorporated November 14, 1913, in New York State; successor to Middletown, Unionville & Water Gap R. R. sold under foreclosure October 25, 1913. Committees were formed as follows: (1) For first-mortgage bondholders—Garrett T. Townsend, chairman, Newman Erb, Charles I. Henry, Ferdinand V. Sanford, Frank H. Finn; (2) for second-mortgage bondholders—Charles I. Henry, chairman, Newman Erb, C. A. Henriques. Voting trust: All the stock of the new company is held in a five-year voting trust with power in the majority of the voting trustees to sell the same. Voting trustees are Charles I. Henry, Newman Erb, B. F. Wollman, New York; G. T. Townsend, F. H. Finn, Middletown, N. Y.

**Midland Valley R. R.:**

Incorporated June 4, 1903, in Arkansas. Company's finances were readjusted without foreclosure in 1910 and again in 1913. A committee consisting of Rudolph Ellis, P. Morris, and E. T. Stotesbury issued a circular dated June 10, 1910, urging deposits of securities with Drexel & Co., Philadelphia, depositary, under a plan which relieved the railroad from the drain of burdensome car-trust payments. A committee consisting of Edward T. Stotesbury, chairman, Rudolph Ellis, Effingham B. Morris, Sidney F. Tyler, Edward B. Smith, J. R. McAllister, and W. B. Henry presented a plan dated February 1, 1913, for readjustment of securities of company and the Wichita & Midland Valley R. R. Co., with Drexel & Co., Philadelphia, as depositary. Voting trust: The plan of February 1, 1913, provided that all common and preferred stock should be held under a voting-trust agreement dated May 15, 1913, terminating January 1, 1924, or any time after May 1, 1918, at discre-



tion of voting trustees, who are as follows—Edward T. Stotesbury, Sidney F. Tyler, J. R. McAllister, Lloyd W. Smith, Francis I. Gowen. The \$4,500,000 new first mortgage 5 per cent bonds, dated April 1, 1913, were first offered in May, 1913, by Harris, Forbes & Co., New York; N. W. Harris & Co. (Inc.), Boston; Harris Trust & Savings Bank, Chicago; and Drexel & Co., Philadelphia.

**Minneapolis & St. Louis R. R.:**

Incorporated October 11, 1894, in Minnesota; successor to Minneapolis & St. Louis Ry., sold under foreclosure October 11, 1894. W. H. Truesdale was appointed receiver for old company. In August, 1892, the following stockholders' committee was appointed: F. P. Olcott, August Belmont, W. A. Read, W. L. Bull, J. Kennedy Tod, with Central Trust Co., New York, depository. Messrs. August Belmont & Co., Vermile & Co., and J. Kennedy Tod & Co. acted as managers of underwriting syndicate for above stockholders' reorganization committee and completed subscriptions for the entire \$7,500,000 new bonds and stock provided for in the amended plan of reorganization.

**Mississippi Central R. R.:**

Incorporated March 15, 1904, in Mississippi; reorganization of Pearl & Leaf Rivers R. R. without foreclosure and receivership.

**Missouri & North Arkansas R. R.:**

Incorporated August 4, 1906, in Arkansas; successor to St. Louis & North Arkansas R. R., sold under foreclosure May 29, 1906. The reorganization committee was composed of John Scullin, David R. Francis, Powell Clayton, Robert S. Brookings, R. C. Kerens, with St. Louis Union Trust Co. depository.

**Missouri, Kansas & Texas Ry.:**

Incorporated September 25, 1865, in Kansas as Union Pacific-Southern Branch Co.; name changed May 23, 1870, to present title. In November, 1889, a plan was proposed by a committee composed of F. P. Olcott, Joel F. Freeman, Henry W. Poor, Henry Budge, Colgate Hoyt, and Louis Fitzgerald. Subsequently this plan was adopted and reorganization was carried through without foreclosure.

**New Orleans & Northeastern R. R.:**

Incorporated October 14, 1868, in Louisiana and March 30, 1871, in Mississippi. In May, 1902, finances of company were readjusted without foreclosure under a plan agreed to by the Alabama, New Orleans, Texas & Pacific Junction Rys. Co. (Ltd.).

**New Orleans, Mobile & Chicago R. R.:**

Incorporated December 1, 1909, in Alabama, Mississippi, and Tennessee; successor to Mobile, Jackson & Kansas City R. R. and Gulf & Chicago Ry. sold under foreclosure August 23, 1909. A syndicate formed by interests in control of the Mobile, Jackson & Kansas City R. R., Messrs. Berg, Wexler, McDonald, Stratton, and others, agreed to assume the entire floating debt of existing companies and obligated itself to pay \$500,000 new money into the treasury. Metropolitan Trust Co., New York, acted as depository for purposes of reorganization.

**New York, Philadelphia & Norfolk R. R.:**

Incorporated September 27, 1881, in Virginia; successor to Peninsula R. R. of Virginia; reorganized without foreclosure and without change of name January 24, 1899. Reorganization committee consisted of Rudolph Ellis, H. W. Biddle, and John Lloyd, of Philadelphia, with Cassatt & Co., Philadelphia, depository.

**Norfolk & Western Ry.:**

The Atlantic, Mississippi & Ohio was a consolidation of Norfolk & Petersburg, Southside, and the Virginia & Tennessee roads, foreclosed February 10, 1881, and reorganized as Norfolk & Western R. R. On February 6, 1895, President F. J. Kimball and Henry Fink were appointed receivers. The Norfolk & Western Ry. was incorporated September 24, 1896, as successor to the railroad company of the same name. Committees: A committee for the protection of the bondholders was formed in London, England, in February, 1895. Personnel was as follows: Alexander Brown, of Brown Bros. & Co. (chairman); Henry Parkham Sturgis, director of London & Westminster Bank; N. J. de Lanoy Meyer, of Blake Boissevain & Co.; C. Silgo de Pothonier, of the Investment Trust Corporation; and Mr. Vivian, of Vivian, Gray & Co., all of London, England. New York committee: George Coppell, J. Kennedy Tod, A. A. H. Boissevain, Robert Fleming, and Gen. Louis Fitzgerald, president of Mercantile Trust Co. Subcommittee: J. Kennedy Tod, A. A. H. Boissevain, and Robert Fleming. Reorganization committee, London: A. H.

Brown, H. P. Sturgis, N. J. de Lanoy Meyer, C. Sligo de Pothonier, Howard Gilliat, Robert Fleming, Lord Welby, William Vivian. New York reorganization committee: As above, with C. S. de Pothonier and H. F. R. Hubrecht. About 98 per cent of the bonds were deposited with the Mercantile Trust Co. and 90 per cent of the stock.

**Norfolk Southern R. R.:**

In July, 1908, Thomas Fitzgerald, Harry K. Walcott and Hugh M. Kerr were appointed receivers of the predecessor company, the Norfolk & Southern Ry. A reorganization committee, consisting of George C. Clark, of New York; Rathbone Gardner, of Providence; Oakleigh Thorne; John I. Waterbury; and S. N. Schoonmaker, was formed. Judge Waddill, in the United States district court at Richmond, Va., ordered the sale of the road on October 14, 1909. Harry K. Walcott; E. R. Baird, Jr., of Norfolk; Thomas J. Jarvie, of Greenville, N. C.; and Fred Hoff, of New York, were appointed special masters to conduct the sale. The sale took place on December 7, 1909, and the property was bid in by Rathbone Gardner, acting for the reorganization committee, for \$8,500,000 (R. T. Thorp, representing Philadelphia interests, bid \$8,100,000). The circuit court of appeals at Richmond, Ga., affirmed the sale March 11, 1910, and, in addition, ruled very strongly in favor of the reorganization committee on other matters. The relations of Edward Sweet & Co. to the financing of the company and other points criticized by Fergus Reid (the minority bondholder), in his efforts to block the sale, were justified by the court. The United States Supreme Court on April 25, 1910, denied the petition of the Van Dyke-Zell Syndicate, of Philadelphia, for a writ of certiorari to review the decision of the lower court. This did not end the litigation, as in July, 1910, a fourth attempt to annul the sale to the New York interests was being made by the Van Dyke-Zell Syndicate. The name of Marsden J. Perry is given as being chairman of the reorganization committee of the old Norfolk & Southern Ry.

**Nypano Railroad:**

This company was incorporated in Ohio as a reorganization of the New York, Pennsylvania & Ohio, R. R., which in turn was a successor to the New York, Lake Erie & Western R. R. The New York, Lake Erie & Western R. R. was organized in August, 1895, under a plan prepared under the supervision of J. P. Morgan & Co. For the purpose of carrying the reorganization into effect, Messrs. C. H. Coster, Louis Fitzgerald, and Anthony J. Thomas undertook to act as a committee. The plan provided that the stock of the new company should be held by voting trustees to be named by J. P. Morgan & Co. and J. S. Morgan & Co. for five years and thereafter until the new first preferred stock should have received 4 per cent cash dividend in one year, although the voting trustees were at liberty to deliver the stock at an earlier date. At a meeting of the holders of first-mortgage bonds of the New York, Pennsylvania & Ohio, held September 6, 1895, it was voted to authorize a foreclosure proceedings and to accept the proposition contained in the Erie reorganization plan published in August of that year. The New York, Pennsylvania & Ohio was sold February 25, 1896, for \$10,000,000 to C. C. Mason, of Cleveland, and Roswell G. Rolston, of New York, representing the bondholders. This foreclosure sale was ordered on the application of Farmers' Loan & Trust Co., New York. Receiver John Tod was named master commissioner of sale.

**Northern Pacific Ry.:**

Successor to Northern Pacific R. R. In April, 1896, Andrew F. Burleigh was receiver for the Northern Pacific R. R. in Washington, Oregon, Montana, and Idaho, 2,529 miles; Edward H. McHenry and F. G. Bigelow were receivers in Minnesota, Wisconsin, and North Dakota, 1,589 miles, and also for property in New York and Manitoba, Canada. Under date of March 16, 1896, a committee, consisting of Edward D. Adams (chairman), Louis Fitzgerald (vice chairman), John C. Bullitt, Charles H. Godfrey, J. D. Probst, James Stillman, and Ernst Thalman, with A. Marcus, secretary (address Mills Building, New York City), issued a plan of reorganization, with the cooperation of J. P. Morgan & Co., Drexel & Co., and the Deutsche Bank and a syndicate formed by them representing \$45,000,000. The plan was also approved by all the Northern Pacific committees, including the stockholders' protective committee, Brayton Ives, chairman; the second-mortgage committee, Johnson Livingston, chairman; the third-mortgage committee, Evans R. Dick, chairman; the collateral-trust committee, R. G. Rolston, chairman;

and the Berlin united committees. Voting trust: This plan provided that both classes of stock of the new company (except directors' shares) be vested in the following five voting trustees: J. P. Morgan, George Siemens, August Belmont, Johnston Livingston, and Charles Lanier.

**Oklahoma Central R. R.:**

Incorporated July 31, 1914, as successor to Oklahoma Central Ry., sold at foreclosure sale July 31, 1914, to the reorganization committee formed in the interests of the first mortgage 5 per cent bonds of the old company. Committee: Frederick J. Lismann (chairman), Willard V. King, Francis X. Quinn, Chauncey D. Parker, Charles MacVeagh, with William G. Edenburg, secretary, 30 Broad Street, New York, and Paskus, Gordon & Hyman, counsel. Depositary, Columbia-Knickerbocker Trust Co. Central Trust Co., subdepository, Amsterdam, Holland; plan of reorganization issued May, 1914.

**Pacific & Eastern Ry.:**

Incorporated May 27, 1907; successor to Medford & Crater Lake R. R., sold under foreclosure May 11, 1907. The line was bid in for \$82,000 by George Estes, of Portland, Oreg., representing a local syndicate. Mr. Estes became treasurer of the new company. His address was given, care of Oregon Trust & Savings Bank, Portland, Oreg. Oregon Trust & Savings Bank was trustee of an issue of \$1,000,000 first 6 per cent bonds, dated July 1, 1907.

**Pere Marquette R. R.:**

Incorporated December 11, 1907, in Michigan and Indiana as consolidation of the first Pere Marquette R. R. (of Michigan), and Pere Marquette R. R. of Indiana. On December 4, 1905, Judson Harmon, of Cincinnati, was appointed receiver for Pere Marquette R. R. and Cincinnati, Hamilton & Dayton. Stockholders' protective committee, formed about December, 1905: Nathaniel Thayer (chairman), Mark T. Cox, George H. Norman, Francis R. Hart (secretary), W. W. Crapo. Depositaries: Old Colony Trust Co., Boston, and Manhattan Trust Co., New York. The protective committee completed a plan with J. P. Morgan & Co. about June, 1907. This plan was communicated to stockholders by F. S. Mosely & Co., who were "acting for shareholders' protective committee."

**Philadelphia & Reading Ry.:**

Incorporated November 18, 1896, to acquire railroad lines of the Philadelphia & Reading R. R. Sold under foreclosure September 23, 1896. Reorganization committee: F. P. Olcott (chairman), Adrian Iselin, jr., J. Kennedy Tod, Henry Bridge, Thomas Denny, New York; George H. Earle, jr., S. F. Tyler, Samuel R. Shipley, Richard Cook, Philadelphia. Reorganization plan was issued by committee under direction of J. P. Morgan & Co.

**Reading Co.:**

Incorporated May 24, 1871, in Pennsylvania; name changed to National Co., January 18, 1873. Control acquired at receiver's sale on September 23, 1896, by committee representing the reorganization managers of the Philadelphia & Reading R. R. Co., which committee on the same day purchased the railroads, property, and corporate franchises of Philadelphia & Reading R. R. Co. A large portion of these properties was conveyed to National Co., which changed its name to Reading Co., after having increased its capital stock from \$100,000, first to \$40,000,000 and afterwards to \$140,000,000, of which \$28,000,000 was first preferred and \$42,000,000 second preferred. Voting trust: All of this stock was deposited with Messrs. J. P. Morgan and Frederick P. Olcott, of New York, and Henry N. Paul, of Philadelphia, as voting trustees under an agreement that it should be held by them until January 1, 1902, and until such time as the first preferred stock should receive cash dividends of 4 per cent per annum for two consecutive years.

**St. Louis Southwestern Ry.:**

Incorporated January 12, 1891, in Missouri; successor to St. Louis, Arkansas & Texas Ry., sold under foreclosure October, 1890. Reorganization plan published January 18, 1890. Reorganization committee: F. P. Olcott (chairman), Henry Bridge, James Speyer, J. Kennedy Tod, Edmund Smith, Central Trust Co., New York, depositary. Plan provided that accounts of reorganization committee be audited by the president of United States Trust Co., of New York, and of Farmers' Loan & Trust Co., New York. A second plan of reorganization was issued by following committee: William Mertens, of L. von Hoffman & Co.; G. J. Wetzler, of J. D. Probst & Co.; M. Geonshelm, of M. Geonshelm & Co.; and F. G. Renner, of Woerishoffer & Co. Depositary: Farmers' Loan & Trust Co. Subsequently the two committees settled their differences and (about Apr. 1, 1890) Mr. Mertens, of the second committee,

became a member of the first, and, in view of the compromise arrived at, urged holders who had deposited securities with Farmers' Loan & Trust Co. to transfer them to the Olcott plan. July 2, 1890, Judge Thayer granted decree ordering sale of road and appointing Col. D. P. Dyer special master in chancery to conduct sale.

**San Antonio & Aransas Pass Ry. Co.:**

Incorporated in 1893 in Texas; reorganization of a company of the same name. Under the reorganization agreement of March 2, 1891, and a modified reorganization agreement of December 14, 1892, the reorganization committee effected without foreclosure a reorganization of the mortgage debt of the company. Committee: Frederic P. Olcott, Joseph Wharton, Henry Bridge, Frederic Cromwell, J. Kennedy Tod, Alfred S. Heidelberg, Eric P. Swenson. New bonds were issued, and the mortgages of the old ones satisfied and discharged of record. New bonds guaranteed by Southern Pacific Co. Trustee; Central Trust Co. of New York.

**Savannah & Statesboro R. R.**

Incorporated 1897 in Georgia as successor to Cuyler & Woodburn R. R. Sold under foreclosure September 7, of that year, to W. F. Carter, of Meldrum, Ga., for \$27,666 (road had been previously sold to W. A. Adams, but the bid was not paid). Incorporators of new company: D. C. Wood, Ellen E. Wood, T. E. Robertson, Lee Hutchins, Thomas W. Buckley, Charles A. Douglas, A. H. MacDonnell, William R. Leakin, and J. R. Saussy, jr.

**Seaboard Air Line Ry.**

Incorporated April 10, 1900, in Virginia, as successor to the Richmond, Petersburg & Carolina R. R. Consolidation of Raleigh & Gaston R. R., Seaboard & Roanoke, Florida Central & Pensacola R. R., etc. This consolidation was voted upon December 27, 1899, Mr. Thomas F. Ryan objecting. At this voting 13,069 shares were represented out of a total of 13,884. These shares were entitled to 3,180 votes. Ryan's representatives mustered 432 votes, which were cast against consolidation. President Williams, about April 19, made public a statement in which he said "neither our syndicate nor any railway company in the system nor any allied corporation owes \$1 to any bank, bankers, or trust company in New York, Philadelphia, or Boston."

**Southern Ry.**

Incorporated February 20, 1894, in Virginia. Successor to Richmond & Danville R. R. In July, 1893, Samuel Spencer was appointed one of the receivers of the old company. Mr. Spencer represented the banking house of Drexel, Morgan & Co. January, 1894, coupons on a number of bonds issued were paid at Chase National Bank. Reorganization committee: C. H. Coster, George Sherman, Anthony J. Thomas, with Bangs, Stetson, Tracy & McNeagh, counsel. Drexel, Morgan & Co., depositaries. Central Trust Co., custodian of securities.

**Tennessee Central R. R.**

Reorganization without foreclosure in 1904. March 17, 1904, W. J. Oliver was appointed receiver. With a view to reorganization company filed two new mortgages in April, 1904, viz, (1) a prior lien mortgage to the Mississippi Valley Trust Co., of St. Louis, as trustee, for \$3,853,750, and (2) a general mortgage to the Mercantile Trust Co., of St. Louis, as trustee, for \$8,000,000. Receivership ended in June, 1904.

**Tennessee, Kentucky & Northern R. R.**

Originally incorporated March 18, 1904, in Tennessee as Overton County R. R. Co. On August 13, 1912, this property was sold at foreclosure sale under the mortgage of the Continental & Commercial Trust & Savings Bank, and Frank H. Jones, as trustee. Purchased by Thomas A. Fitzsimmons, of Chicago, presumably representing the bondholders. The Tennessee, Kentucky & Northern R. R. was incorporated August 14, 1912. The incorporators of the new company were George A. Clark (who had been receiver for the Overton County R. R.), C. C. Trabue, Avery Handley, Claiborne N. Bryan, and F. J. Ready, jr.

**Toledo, St. Louis & Western R. R.**

Successor to Toledo, St. Louis & Kansas City R. R., sold under foreclosure March 27, 1900. Purchased for \$19,200,000 by Morton S. Paton and R. B. Hartshorn, representing the bondholders. Two interests were seeking control, the preferred stock and the bondholders. Bondholders' committee plan: John C. Havemeyer, chairman, prepared a plan or reorganization which amongst other things provided that the stock of the company, as reorganized, should be vested in the following voting trustees: Charles Parsons, Herman

O. Armour, Simon Borg, C. Sidney Shepard, and Otto T. Bannard. The stock to be so held for five years, but the voting trustees to have the power at their discretion to deliver it at an earlier date. The trustees to have the power during the existence of the trust to sell the stock subject to the approval of a majority in amount of each class of the trust certificates. A syndicate under the management of Vermilye & Co. and Hallgarten & Co. entered into a contract with the bondholders' committee for the purchase of \$9,000,000 first-mortgage bonds represented by Continental Trust Co. certificates. A new reorganization committee, consisting of F. P. Olcott, chairman. H. Bridge, J. Kennedy Tod, and William A. Read, with J. N. Wallace, 54 Wall Street, as secretary, was formed in June, 1900. Depositary, Central Trust Co. Voting trust: All of the preferred and common stock was vested in the following voting trustees—Frederic P. Olcott, Thomas H. Hubbard, and William A. Read, to be held by them for five years. The voting trustees to have full power to sell the stock subject to the approval of a majority in amount of each class of the outstanding trust certificates representing the stock.

**Toledo Terminal R. R.:**

Incorporated December 4, 1908, in Ohio; successor, November 1, 1907, to property of Toledo Ry. & Terminal Co., sold under foreclosure. In January, 1906, Judson Harmon was appointed receiver of Toledo Ry. & Terminal Co. In beginning of January, 1906, new officers representing J. P. Morgan & Co. were elected, G. W. Perkins being made president. In March, 1906, Bioren & Co., Philadelphia, requested names and addresses of bondholders. Bondholders' committee: Andrew T. Sullivan, president Nassau Trust Co., Brooklyn, chairman; R. E. James, president Easton Trust Co., Easton, Pa.; Samuel C. Eastman, president New Hampshire Savings Bank, Concord, N. H.; Daniel McCoy, State Bank of Michigan, Grand Rapids, Mich.; John G. Reading, president Pennsylvania State Bankers' Association; H. M. Verrill; C. H. Gilman; Francis B. Sears. Depositaries: Columbia Trust Co., New York, and Portland Investment Co., Portland, Me.

**Union Pacific R. R.:**

Incorporated July 1, 1897, in Utah; successor to Union Pacific Ry. under reorganization plan dated October 25, 1895. The reorganization committee included the following: Louis Fitzgerald, Jacob H. Schiff, T. Jefferson Coolidge, Chauncey M. Depew, Marvin Hughitt, Oliver Ames, 2d, with Alvin W. Krech, secretary, and Winslow S. Pierce, counsel. Depositaries: Mercantile Trust Co., New York; Old Colony Trust Co., Boston; Bank of Montreal, London; Amsterdamsche Bank, Amsterdam; Deutsche Vereinsbank, Frankfurt-on-Main. Messrs. Kuhn, Loeb & Co., New York, acted as bankers for reorganization committee.

**Vicksburg, Shreveport & Pacific Ry.:**

Incorporated April 23, 1901, in Louisiana, and on May 1, 1901, assumed possession of all property of Vicksburg, Shreveport & Pacific R. R. Co. (except the United States land-grant lands), having purchased same at foreclosure sale March 30, 1901. On April 21, 1900, J. H. McCormick, of Monroe, La., was appointed receiver. In June, 1900, Goepel & Raegner, of 290 Broadway, New York, in view of appointment of receiver, requested holders of third-mortgage and land-grant bonds to communicate with them in order that protective measures might be taken.

**Western Maryland Ry.:**

Incorporated December 1, 1909, in Maryland; successor to Western Maryland R. R., sold under foreclosure November 19, 1909. The reorganization plan dated July 26, 1909, was adopted by committee of holders of general lien and convertible mortgage bonds. This committee included Alvin W. Krech, Byron T. Herrick, Henry S. Redmond, George P. Butler, Winslow S. Pierce, Frederick T. Gates, Henry E. Cooper, with Equitable Trust Co., New York and City Trust Co., Boston, depositaries. A syndicate, of which Blair & Co., New York, were managers, agreed to purchase over \$20,000,000 of the immediate issue of about \$24,000,000 new common stock issuable under the plan.

**Western New York & Pennsylvania Ry.:**

Incorporated March 18, 1895, in New York and Pennsylvania; successor to Western New York & Pennsylvania R. R., sold under foreclosure February 5, 1895. The reorganization committee consisted of Isaac N. Seligman, chairman, Gustav E. Kissell, C. E. Bretherton, Carl Jaeger, George E. Bartol, N. Thouron, and S. G. De Coursey. Plan provided that stock of new company

should be held in trust for five years by George E. Bartol, Nicholas Thouron, and Samuel G. De Coursey, with full power to vote thereon.

#### Wheeling & Lake Erie R. R.:

Incorporated April 28, 1899, as reorganization of Wheeling & Lake Erie Ry. A bondholders' committee, of which George Coppel was chairman, prepared a plan of reorganization. Guaranty Trust Co. acted as depositary in conjunction with this committee. Following firms acted as stockholders' committee: Dick Bros. & Co., Bell & Co., Clark, Ward & Co., Webb & Prall, Thompson & Mairs. Central Trust Co., depositary. The reorganization committee was changed to be representative of each class of securities and ultimately was as follows: Gen. Louis Fitzgerald, representing the Wheeling division first-mortgage bonds; George Coppel, of Maitland, Coppel & Co., representing the Lake Erie division first-mortgage bonds; J. Kennedy Tod, of J. Kennedy Tod & Co., representing consolidated fours; Eugene Delano, of Brown Bros. & Co., representing first-extension bonds; and William Dick, of Dick Bros. & Co., representing the stockholders.

#### Wheeling Terminal Ry.:

Incorporated June 7, 1900; successor to Wheeling Bridge & Terminal Co., sold under foreclosure May 27, 1900. Reported December, 1900, that majority of first-mortgage bonds, also second-mortgage bonds, and the stock of old company had been acquired by Kuhn, Loeb & Co. for \$1,515,000 in the interest, it was reported, of the Pennsylvania Co.

#### Wisconsin Central Ry.:

Successor under plan of reorganization, as of July, 1899, to the properties of the Wisconsin Central R. R., etc. Property of old company was sold July 7, 1899, at Eau Claire, Wis., to Mr. George Coppel, representing the reorganization committee; price, \$7,300,000. Voting trust: Both classes of stock were vested in voting trustees, George Coppel, John Crosby Brown, William L. Bull, Fred T. Gates, and Francis R. Hart, for five years, the trustees to have the power to deliver the stock at an earlier date.

#### Wisconsin, Minnesota & Pacific R. R.:

At St. Paul, October 7, 1893, a final decree of foreclosure was awarded in the case of Metropolitan Trust Co., of New York, against company. Property was acquired by Chicago, Rock Island & Pacific Ry. for \$5,204,812.

#### Zanesville Terminal R. R.:

Successor to Zanesville Terminal Ry. sold at foreclosure March 22, 1902, for \$92,000 to R. R. Rogers, New York, representing the bondholders. New company was incorporated April, 1902, in Ohio, with \$300,000 authorized capital. Incorporators: Richard R. Rogers, Walter D. McKinney, James C. Mouer, Edward S. McCune, and Ben B. Nelson.

#### QUESTION No. 8.

[Total, 43,299.68 miles.]

Atlantic, Birmingham & Atlantic R. R.	638. 60
Boston & Maine R. R.	2, 301. 90
Buffalo & Susquehanna Ry.	91. 09
Chicago & Eastern Illinois R. R.	1, 282. 41
Chicago, Peoria & St. Louis R. R.	255. 47
Chicago, Rock Island & Pacific R. R. (No tracks.)	
Chicago, Rock Island & Pacific Ry.	8, 328.06
Cincinnati, Bluffton & Chicago R. R.	52. 00
Cincinnati, Hamilton & Dayton Ry.	1, 015. 27
Colorado Midland Ry.	337. 64
Council City & Solomon River Ry.	35. 00
Denver & Rio Grande R. R.	2, 585. 05
Denver, Laramie & Northwestern R. R.	56. 59
Fort Smith & Western R. R.	221. 16
Illinois Southern Ry.	139. 65
International & Great Northern Ry.	1, 159. 50
Kansas City, Clinton & Springfield Ry.	162. 63
Kansas City, Outer Belt & Electric R. R.	8. 00
Louisiana & Northwest R. R.	121. 40
Macon & Birmingham R. R.	105. 00
Marietta, Columbus & Cleveland R. R.	49. 08
Missouri & North Arkansas R. R.	365. 24
Missouri, Oklahoma & Gulf Ry.	236. 15

Missouri Pacific Ry.....	7, 284. 53
New Mexico Central R. R.....	116. 00
New Orleans, Mobile & Chicago R. R.....	402. 90
New Orleans, Texas & Mexico R. R.....	285. 87
New York, New Haven & Hartford R. R.....	2, 003. 10
Ohio River & Columbus Ry.....	24. 42
Pere Marquette R. R.....	2, 321. 77
Pittsburg, Shawmut & Northern R. R.....	294. 06
St. Louis & San Francisco R. R.....	5, 259. 09
San Antonio, Uvalde & Gulf R. R.....	314. 63
Tennessee Central R. R.....	298. 71
Toledo, St. Louis & Western R. R.....	450. 58
Trinity & Brazos Valley Ry.....	463. 00
Valdosta, Moultrie & Western R. R.....	42. 00
Wabash, Chester & Western R. R.....	64. 83
Wabash-Pittsburg Terminal Ry.....	63. 40
Wabash R. R.....	1, 379. 30
Watauga & Yadkin River R. R.....	23. 00
West Side Belt R. R.....	22. 63
Western Maryland Ry.....	661. 23
Wheeling & Lake Erie R. R.....	503. 39
Williamsville, Greenville & St. Louis Ry.....	35. 00
Wisconsin & Michigan Ry.....	128. 10
Western Pacific Ry.....	930. 00
Rock Island Co. (Holding company; no mileage.)	
Wisconsin, Minnesota & Pacific R. R.....	386. 25

*Atlanta, Birmingham & Atlantic R. R.*—The properties of the Atlanta, Birmingham & Atlantic R. R. Co. were sold at foreclosure sale on June 5, 1914, for \$4,641,000. The property was bid in by Martin D. Wylie and Frederick Beltz, jr., representing the general protective committee. The sale was confirmed by Judge Pardee on June 17, 1914. Proposed successor company: The Atlanta, Birmingham & Atlantic Ry. Co. was incorporated in Georgia, August 22, 1914, with E. T. Lamb as president (receiver of the railroad company), and the Georgia Railroad Commission, in August, 1914, authorized the new company to issue \$30,000,000 common and \$10,000,000 preferred stock; also \$3,000,000 5 per cent bonds. Official notice of reorganization was filed October 2, 1914, in the office of secretary of state of Georgia, this notice stating that the railroad company had been withdrawn from the hands of the receiver. On November 20, 1914, however, an order was signed by Judge Pardee in the United States district court at Macon, Ga., with the consent of the committees representing holders of the receivers' certificates and the bondholders, again formally placing the road in hands of F. T. Lamb as receiver. The purchasers of the railroad property notified the court that on account of present financial conditions they were unable to complete the purchase. Committee for receivers' certificates: Owing to the default in payment of principal of the \$4,700,000 one-year 5 per cent receivers' certificates due July 1, 1913, the following committee agreed to act for the holders: Howard Bayne, George C. Clark, jr., Harold B. Clark, Lewis B. Franklin, and Carl E. Steere, with G. E. Warren, secretary, 60 Broadway, New York, and Shearman & Sterling and Spooner & Cotton as counsel. Depositary: Columbia Trust Co., New York. Over 80 per cent of the receivers' certificates have been deposited with this committee. Committee for first-mortgage fives: S. H. Fessenden, Philip Stockton, and F. H. Farrar. Old Colony Trust Co., depositary. Committee for joint collateral notes and first-mortgage fives: George C. Clark, chairman; George C. Clark, jr., secretary; Equitable Trust Co., New York, and American Trust Co., Boston, depositary. General protective committee: E. S. Marston (chairman), John I. Waterbury, S. S. Palmer, New York, and Samuel Carr, Francis R. Hart, and Frederick Ayer, Boston.

*Boston & Maine R. R.*—In June, 1907, the New York, New Haven & Hartford R. R. Co. acquired \$10,994,800 of the capital stock of the Boston & Maine R. R., which was subsequently exchanged, share for share, for stock of the "New Haven Co." In consequence, however, of agitation in the Massachusetts Legislature with respect to "foreign" control the stock was sold in June, 1908, to John L. Billard. Additional stock was subsequently acquired in the same interests, and in February, 1909, authority was granted by the Connecticut Legislature for a charter for a corporation under the style of the Billard Co., with power to purchase, hold, pledge, and sell shares of stock and other securities

of the Boston & Maine R. R. In June, 1900, the Massachusetts Legislature passed a law authorizing the Boston Railroad Holding Co. to hold the securities of the Boston & Maine R. R., and on October 6, 1900, that company took over the \$10,994,800 Boston & Maine stock purchased from the Billard Co. at \$140 per share. As of June 30, 1914, the Boston Railroad Holding Co. owned \$21,918,900 common and \$654,300 preferred stock of the Boston & Maine R. R. Co. The Boston Railroad Holding Co. was, in October, 1914, placed in the hands of Frank P. Carpenter, Henry B. Day, Charles P. Hall, James L. Doherty, and Marcus P. Knowlton as trustees, for the purpose, amongst others, of disposing of its holdings in Boston & Maine stock. In connection with the Boston & Maine situation W. B. Lawrence, the largest holder of the stock, aside from the Boston Railroad Holding Co., is quoted as saying: "I am against a reorganization of the Boston & Maine. I want a receivership. It must consist of three men—three honest men—with the present president of the road at the head, doing the directing." (Boston Post, Jan. 20, p. 3.)

*Buffalo & Susquehanna Ry.*—The company having defaulted May 1, 1910, on the interest due on its \$6,000,000 first-mortgage 4½ per cent bonds, Harry I. Miller was appointed receiver on May 2, 1910, by the Supreme Court of the State of New York, and on May 3, 1910, was appointed receiver in Pennsylvania by the Court of Common Pleas of Potter County. Bondholders' protective committee: William Salomon (chairman), Gordon Abbott, Alex. Brown, Benjamin Strong, jr., and Asa S. Wing; George G. Henry, secretary, 25 Broad Street, New York. Depositary: Bankers' Trust Co., New York.

*Chicago & Eastern Illinois R. R.*—During the month of May, 1913, it became evident that financial embarrassment of the St. Louis & San Francisco R. R. Co., the owner of all the outstanding common stock and over 75 per cent of the preferred stock of the Chicago & Eastern Illinois R. R. Co., would lead to the appointment of receivers of the property of the St. Louis & San Francisco R. R. Co. and the consequent appointment of receivers of the Chicago & Eastern Illinois R. R. In anticipation of the impairment of the company's credit which would follow, and in view of the condition of its property and affairs, a creditor filed a bill in the United States District Court for the Northern District of Illinois praying for a receivership of the company's property, pursuant to which William J. Jackson, vice president of the company, and Edwin W. Winter, of New York, were appointed receivers May 27, 1913, took possession as of midnight that date, and are operating the property. Protective committee for trust certificates and stockholders: In May, 1913, the following committee agreed to act for the protection of the holders of St. Louis & San Francisco R. R. trust certificates for Chicago & Eastern Illinois R. R. preferred and common stock and of the preferred stockholders of Chicago & Eastern Illinois R. R.: Alvin W. Krech (chairman), Henry H. Porter, W. Emlen Roosevelt, Gordon Abbott, W. Redmond Cross, Horace J. Morse, Henry A. Vernet, with Richard R. Hunter as secretary. Depositary: Equitable Trust Co., New York. Counsel: Murray, Prentice & Howland. Protective committee for Evansville & Indianapolis R. R. first sixes and first consolidated sixes: Default having occurred in the July 1, 1914, interest on both these issues the following committee was formed for the protection of holders: Frederick H. Shipman (chairman), W. B. Cardozo, E. W. Gladwin, E. H. Ladd, jr., R. M. Smith, with Geller, Rolston & Horan counsel and Edwin Gibbs, secretary, 22 William Street, New York. Depositary: Farmers' Loan & Trust Co., New York. Protective committee for holders of mortgage debt and equipment obligation: John W. Platten (chairman), James C. Brady, Franklin Q. Brown, Frederick H. Ecker, Robert Fleming (London), Donald G. Geddes, Otto H. Kahn, William C. Pollon, with Calvin Brewer, secretary, and Kuhn, Loeb & Co. as bankers for the committee. Depositary: United States Mortgage & Trust Co., New York. Counsel: Spooner & Cotton. This committee in March, 1914, asked for deposit of refunding and improvement bonds. Protective committee for Chicago & Indiana Coal Ry. Co. first fives: W. W. Jacobs (chairman), James B. Mabon, Edwin S. Hunt, R. H. Carleton, J. S. Farlee, with Charles E. Sigler, secretary, 54 Wall Street, New York, and Sullivan & Cromwell, New York, as counsel. This committee, on June 20, 1914, in view of the impending default in the July interest, called for deposit of the bonds. Time for deposit expired December 1, 1914. In January, 1915, the Metropolitan Trust Co., of New York, as mortgage trustee, brought a suit to foreclose the Chicago & Indiana Coal Ry. mortgage of 1885. This suit was brought at the instance of the protective committee of Chicago & Indiana Coal Ry. bondholders, acting through their counsel, Sullivan & Cromwell. Separate receivers for coal properties: In November, 1914, United States district court



at Chicago appointed Francis S. Peabody, Jackson K. Dering, and Jabez Wooley separate receivers for the coal properties. As a result of these appointments the leases under which the Illinois and Indiana mines owned by the road were operated by the coal companies have been canceled. The special receivers now operate properties for the road.

*Chicago, Peoria & St. Louis R. R.*—The circuit court at Springfield, Ill., on July 31, 1914, appointed Bluford Wilson, of Springfield, Ill., president of the road, and William Cotter, of New York, receivers for company. General and refunding bondholders' committee: Owing to default in June 1, 1914, interest on the general and refunding four-and-a-halfs, the below-named committee urged deposit of these bonds with Bankers' Trust Co., New York, depository. Committee: Frederick J. Lisman, chairman, and Alfred Shepherd, with Graham Adams as secretary, 30 Broad Street, New York, and White & Chase, counsel. The agreement provides that in case of a vacancy in the membership of the committee the successor of Frederick J. Lisman shall be designated by F. J. Lisman & Co., New York, and the successor of Alfred Shepherd by the directors of the Car Trust Realization Co. (Ltd.), Great Britain. The committee may add to its number. The agreement gives the committee the customary powers for the protection of the bondholders and provides that any plan of reorganization presented by the committee shall become binding on all depositors when assented to by certificates representing 51 per cent of the bonds, deposited hereunder, but that each dissatisfied depositor shall be allowed 30 days in which to withdraw. If the holders of more than 49 per cent in principal amount of the outstanding certificates of deposits shall so dissent, the plan will not become effective. Time for deposit was limited to December 15, 1914, since which date no deposits have been received, except upon such conditions as committee has imposed. A substantial majority of the bonds has been deposited. Prior-lien bondholders' committee: Default having been made in payment of September 1, 1914, interest on the Chicago, Peoria & St. Louis Ry. of Illinois prior-lien four-and-a-halfs, the below-named committee urged deposit of these bonds with the Equitable Trust Co., New York, depository. Committee: Sidney C. Borg, of Simon, Borg & Co.; Henry E. Cooper, vice president of the Equitable Trust Co., New York; Thomas Denny, of Denny, Pomroy & Co.; Robert Struthers, jr., of Wood, Struthers & Co., with J. N. Babcock, secretary, 37 Wall Street, New York, and Leventritt, Cook & Nathan as counsel. Time for deposit was limited to November 30, 1914, since which date no deposits have been received except on terms imposed by committee.

*Chicago, Rock Island & Pacific R. R.*—The Chicago, Rock Island & Pacific Ry. Co. having failed to declare a dividend on its common stock in 1914, the Chicago, Rock Island & Pacific R. R. Co., the holding company, was left without resources with which to pay the May, 1914, coupons on the collateral trust fours of 2002. In view of the impending default in this interest a bondholders' protective committee, consisting of James N. Wallace, chairman; Charles Hayden, James Brown, Bernard M. Baruch, Henry Evans, Frederick Strauss, with Joline, Larkin & Rathbone and Cravath & Henderson as counsel, and C. E. Sigler as secretary, 54 Wall Street, New York, was formed, and in order to secure concerted action requested deposits of the bonds with the Central Trust Co. of New York, depository. The formation of this committee and the deposit of bonds was protested by N. L. Amster, of Boston, who subsequently, in the interests of the undeposited bonds, formed a second protective committee, consisting of himself as chairman, L. Laflin Kellogg, George Warren Smith, Warren C. Crane, Frank W. Bauder, Courtlandt Linkrom, Alfred K. Keppelman, Edwin S. Dickerson, and George G. Prentice. Owing to the default in the payment of the May, 1914, interest on the collateral trust fours, the Central Trust Co. of New York, as trustee of these bonds, brought foreclosure suits on September 3, 1914, in the United States district court, and a foreclosure decree was signed October 10, 1914, by Judge Mayer, who directed that the stock of the Chicago, Rock Island & Pacific Ry. Co. pledged as collateral for these bonds be sold at auction in the interests of the bondholders by Bronson Winthrop as special master. In connection with this sale the "Wallace" protective committee (which ultimately represented a majority of the bonds) announced a plan of reorganization, which provided for the purchase in a single block of the stock pledged (which had a total par value equal to the face value of the outstanding bonds), and for the distribution of it to the depositing bondholders on the basis of 10 shares of stock of a par value of \$100 each for each \$1,000 bond, the depositing bondholders to pay the nondepositing bondholders their share of the proceeds of the sale of the stock, and to receive the excess stock in proportion to

their holdings. This plan of selling the stock en bloc was opposed in the courts by the minority bondholders represented by N. L. Amster, who contended it was unfair to them. The court of appeals on November 19, 1914, reversed Judge Mayer's decision, giving it as their opinion that the undepositing (minority) bondholders had a right to be made party defendants to the foreclosure suit. Eventually an arrangement was made between the two committees (Wallace committee and Amster committee) which allowed the stock to be sold. This arrangement was made on order of court, and provided that whilst the stock may be sold en bloc all the shares applicable to the undeposited bonds shall be turned over to a special master, appointed by the court, and be distributed to the bondholders who had not deposited their holdings to pay their proportion of the committee and foreclosure expenses amounting to 44½ cents per share. On December 22, 1914, this stock (\$71,353,500) was sold to the "Wallace" committee for \$7,135,350, equivalent to \$10 per share. This sale was confirmed by Judge Mayer on January 6, 1915. No bondholder will be entitled to exchange his bonds for stock after February 27, 1915; after that date bondholders must accept for their bonds their proportionate share of the proceeds of the sale. The special master must be notified on or before February 10, 1915, of intention to subscribe for unexchanged stock of the railway company.

*Chicago, Rock Island & Pacific Ry.*—On December 22, 1914, the control of the Chicago, Rock Island & Pacific Ry. Co. passed into the hands of the holders of the Chicago, Rock Island & Pacific R. R. Co. collateral trust fours—see statement above. In March, 1914, Edw. B. Smith & Co., Philadelphia and New York, issued the following notice to holders of Choctaw, Oklahoma & Gulf R. R. general fives, due 1919; Choctaw, Oklahoma & Gulf R. R. consolidated fives, due 1952; Choctaw & Memphis R. R. first fives, due 1914, and Chicago, Rock Island & Pacific Ry. Choctaw collateral trust fives: "In view of the uncertainties surrounding the whole Rock Island proposition, which has caused holders of the above securities to express to us concern as to their status, we feel, upon information, that the situation demands concentrated action for mutual protection. Committees have been formed to protect junior securities, whose interests may conflict with these underlying issues. Under the circumstances we urge holders of the Choctaw issues to communicate with us promptly, looking to united action." The \$2,500,000 6 per cent bank loan, maturing December 31, 1914, was extended to April 30, 1915, at 6 per cent. This loan was negotiated to guide the company over the period of heavy payments, beginning with July 1, 1914. The date of the annual meeting which has several times been postponed, has again been postponed, this time to March 15, 1915. A reorganization committee, it is stated, may be formed to undertake the work of readjustment. The method expected in Wall Street to be used is for the stockholders of the company to agree to raise a large part of the new capital required as the consideration for retaining an interest in the property. The Phelps-Dodge interests, who are considered the leading interests in the company, although understood to be against a further investment in the company, are looked upon as the most likely source of new capital.

*Cincinnati, Bluffton & Chicago R. R.*—This road was sold at receivers' sale on October 15, 1914, to Fred A. Dolph, of Chicago, representing a syndicate of creditors. The price to be paid is \$350,000. Judge Cook, in the circuit court, gave Mr. Dolph four months to make final payment. The receiver will operate the property until the sale is fully consummated. A new company, it is stated, will probably be organized some time prior to February 15, 1915. On March 14, 1908, John C. Curtis was appointed receiver in a creditor's suit.

*Cincinnati, Hamilton & Dayton Ry.*—Judge Hollister, in the United States court in Cincinnati, on July 2, 1914, because of the defaults in interest payments below mentioned, appointed Judson Harmon and Rufus B. Smith as receivers of the property on application by Bankers Trust Co., of New York, trustee. The defaults on July 1, 1914, were: Cincinnati, Hamilton & Dayton first and refunding mortgage unguaranteed bonds, \$1,677,000; Cincinnati, Indianapolis & Western Ry. first and refunding fives, \$4,722,000; Indiana, Decatur & Western Ry. fives, \$3,162,000. The committee which represented the old 4½ per cent collateral trust notes exchanged under the readjustment of 1909 for general mortgage bonds has been reorganized, and in circular of October 2, 1914, to holders of bonds, said: "In view of the appointment of receivers of the railway company the committee requests that bondholders furnish it with their names and addresses and the amounts of their holdings. The committee will keep in touch with the progress of the receivership, and if advisable will later

call for the deposit of bonds. Bondholders are reminded of the existing contract with the Baltimore & Ohio R. R. Co., providing for the purchase or exchange of their bonds not later than during July, 1916, and the committee will be prepared to advise with bondholders in regard to the consummation of said agreement." (Signed: Charles H. Sabin, chairman; Harry Bronner, Samuel L. Fuller, J. H. McClement, and Gordon Abbott, committee, with Arthur B. Hatcher, secretary, 140 Broadway, New York, and Joline, Larkin & Rathbone, counsel.) A committee, consisting of Wilmer Palmer, Osman F. Rheinhardt, and Rudolph Kleybolte, representing a large part of the \$216,000 outstanding Kleybolte  $4\frac{1}{2}$  per cent equipment notes of 1905, called for the deposit of the notes, with the Bankers' Trust Co., New York, as depositary under a protective agreement dated November 2, 1914. A circular dated November 2, 1914, says, in substance: "On October 1, 1914, the receiver of the Cincinnati, Hamilton & Dayton Ry. Co. defaulted on the principal of the \$54,000 of notes maturing October 1, and also the interest due on all the outstanding equipment notes. On the same date the company, through its receiver, paid the interest and principal of all its other outstanding equipment notes, maturing on that date, thus preferring said notes to those held by yourselves. The default in the Kleybolte equipment notes is placed upon the fact that the Pere Marquette R. R. has failed to make the payments due under contract of July 20, 1908, whereby about one-half of the equipment securing the issue was sold to that company with the sanction of the United States circuit court, but contrary to the provisions of the trust deed, and without the knowledge of the trustee." Owing to default in the payment of November 1, 1914, interest on Cincinnati, Findlay & Fort Wayne Ry. first fours, the below-mentioned committee asked for the deposit of bonds on or before January 15, 1915, with the Bankers' Trust Co., New York, depositary. Committee: F. N. B. Close, chairman; Sidney C. Borg, Henry F. Whitcomb, Albert H. Wiggin, with P. D. Bogue as secretary, 16 Wall Street, New York, and Alfred A. Cook counsel. The receivers on September 10, 1914, applied to the United States district court for permission to issue \$3,000,000 receivers' certificates for improvements and equipment. The receivers, however, early in October, 1914, in view of the financial situation, decided to postpone application for permission to issue the above amount of certificates until some later date, when it is hoped conditions may have improved. The Interstate Commerce Commission on July 30, 1914, made an order announcing that an investigation of the road will be made in connection with a similar one into the affairs of the Pere Marquette R. R. An agreement was made July 1, 1909, between J. P. Morgan & Co. and the Baltimore & Ohio R. R. Co., under which the latter will acquire, at expiration of seven years from that date, at a price then to be agreed upon or determined by arbitration, the controlling stock of the Cincinnati, Hamilton & Dayton Ry. Co. During said seven years the controlling stock is to be vested in three voting trustees, one to be the president for the time being of the Baltimore & Ohio R. R. Co. In this connection a plan was affected for adjustment of future interest charges, and the payment or adjustment of the floating debt of the Cincinnati, Hamilton & Dayton Ry. Co., and providing approximately \$7,000,000 for improvements and working capital. Under this plan the Baltimore & Ohio R. R. Co. guarantees \$12,500,000 of the Cincinnati, Hamilton & Dayton Ry. first and refunding 4 per cent bonds, dated July 1, 1909, and took up at maturity the \$11,557,000 of that company's 4 per cent notes, due July 1, 1913, secured by deposit of \$13,000,000 of the first and refunding bonds, and now holds the notes and collateral. Also, upon the acquisition under the agreement of the stock of the Cincinnati, Hamilton & Dayton Ry. Co., the Baltimore & Ohio R. R. Co. is obligated either to purchase at 85 or guaranty \$20,000,000 of that company's general mortgage bonds, due July 1, 1939.

*Colorado Midland Ry.*—On December 13, 1912, President George W. Vallery was appointed receiver by the United States district court at Denver on application of Central Trust Co., of New York, acting at the request of the protective committee. In view of the default by the company on one of its outstanding notes, a committee was formed in November, 1912, consisting of James N. Wallace, chairman; James N. Jarvie, Harry Bronner, B. Aymar Sands, Francis Leyland, Clark Williams, and W. de Lancey Kountze, requesting the holders of the first mortgage fours of 1897 to unite for mutual protection by depositing their bonds with the Central Trust Co. of New York, depositary. The Swiss Bank Verein, London, England, acts as London depositary. C. E. Sigler, 54 Wall Street, New York, is secretary.

*Council City & Solomon River R. R.*—Jerome D. Gedney was appointed receiver in October, 1907, by the court of chancery of New Jersey.

*Denver & Rio Grande R. R.*—It is stated that "the board of directors of the Denver & Rio Grande R. R. has authorized the announcement that the interest which will fall due September 1, 1914, upon Western Pacific Ry. first-mortgage bonds will be paid, but that if the Denver & Rio Grande R. R. is to continue its support of the Western Pacific Ry., some plan of readjustment of Western Pacific Ry. finances and the relation of the Denver & Rio Grande R. R. thereto must be devised, which will be acceptable to the holders of the bonds, and that a call for the deposit of these bonds will be put forth at an early date, by a committee of responsible bankers, looking to the adoption of a plan which will at once lighten the burden which the Denver & Rio Grande R. R. is now carrying, to place the financial structure of the system upon a basis of recognized solvency and credit, and as far as may be practical provide means for the development of the Western Pacific Ry."

*Denver, Laramie & Northwestern R. R.*—On June 12, 1912, the company was placed in the hands of receivers on complaint of F. A. Bridge, as a creditor, bondholder, and stockholder, in the district court, city and county of Denver, Colo. The Continental Trust Co. (Allan F. Ayers, representative) and Marshall B. Smith, of Denver, Colo., were appointed as receivers and assumed charge of the properties June 13, 1912. On March 7, 1913, at the request of the below-mentioned bondholders' protective committee, representing a large majority of the bonds, the Bankers' Trust Co. of New York, trustee under the mortgage, filed a complaint in foreclosure proceedings and asked for the appointment of receivers. The two preceding cases were consolidated with the Bankers' Trust Co., and the same receivers were appointed and are now in charge of the properties. The trustee has not, as yet, asked for a foreclosure decree. Committee: William Barth, J. R. Pearson, W. E. Green, William Semke, Stansbury Thompson, J. H. Bender, Denver, Colo.; J. F. Wallace, A. R. Oppenheim, New York; Fred B. Silsbee, Charles B. Martin, Chicago, Ill.; Otter Huber, Rock Island, Ill.; I. W. Crumly, Colby, Kans.

*Fort Smith & Western R. R.*—In November, 1910, holders of the securities of the Fort Smith & Western R. R. and the San Bois Coal Co., were asked to deposit their holdings with a committee composed of W. L. Brown, A. W. Mellon, Colgate Hoyt, W. H. Canniff, W. G. Mather, J. J. Sullivan, George S. Russell, James H. Hoyt, S. H. Tolles, C. C. Bolton, and A. C. Dustin. In February, 1911, circulars in the shape of an agreement to deposit bonds with the Superior Savings & Trust Co., Cleveland, and vesting in the above-named committee the power to take absolute charge of the business were sent to bondholders of the Fort Smith & Western R. R. and the San Bois Coal Co. The agreement effective for three years, was signed by over 70 per cent of the bondholders, and conferred on the committee the power to vote all the stock of the signers of the agreement. The agreement was extended for two years to January 1, 1915. The stock of the San Bois Coal Co. was deposited with the Bankers' Trust Co. of New York, for the benefit of first-mortgage bondholders. The agreement also authorized the committee to sell, exchange, or dispose of the property of the Fort Smith & Western R. R. Co., the bonds deposited, or the San Bois Coal Co., as it may consider best, although the understanding is that no sale or exchange is to be made, nor money borrowed in excess of \$100,000, without the unanimous vote of the committee.

*Illinois Southern Ry.*—A friendly reorganization, as of June 1, 1911, was consummated about December 1, 1911, whereby holders of the \$4,600,000 first-mortgage 4 per cent bonds, dated December 1, 1903, exchanged their holdings for 30 per cent (\$1,380,000) of new first-mortgage 5 per cent bonds and 30 per cent (\$1,380,000) of new income 5 per cent bonds. In addition to the new first-mortgage bonds issued under the plan there were issued \$354,000 for the construction of a new incline on the east bank of the Mississippi River and for other corporate purposes. The company induced the holders of 1,528 first-mortgage bonds to temporarily carry their December 1, 1913, coupons for the benefit of the company. The company has sufficient funds on hand to pay the balance of these December coupons, but if this payment was made it would leave it almost bare as to working capital and without funds to pay the June 1, 1914, coupons. It was therefore deemed desirable by the directors to make no disbursement, either on account of the balance due on the December 1, 1913, interest, or on the June 1, 1914, interest, and to keep what money the company had for additional working capital. The majority of the bondholders have been consulted and approve of these arrangements.

*International & Great Northern Ry.*—Judge Burns, in the United States court at Houston, Tex., on August 11, 1914, appointed James A. Baker, of Houston, and Cecil A. Lyon, of Sherman, Tex., as receivers of the property at the instance of the note holders' protective committee, see below. President Thomas J. Freeman stated it was impossible to meet either interest or principal of the notes due August 1, 1914, and as there was no market for the bonds a default resulted. The executors of the J. Gould estate consented to the plan for extending the notes for two and one-half years at 6 per cent, but the unsettled financial situation brought about by the European war and a less favorable outlook for the cotton crop along the line caused the plan to fall through. Note holders' committee: Alexander J. Hemphill, Alvin W. Krech, Benjamin Strong, Jr., S. H. Voorhees, Franklin Q. Brown, R. Lancaster Williams, Frederick Strauss. Depositary: Guaranty Trust Co., New York. On July 31, 1914, this committee asked for the deposit of the \$11,000,000 three-year 5 per cent notes, due August 1, 1914, in order to effect under what was believed to be advantageous conditions an extension thereof to February 1, 1917, with interest at 6 per cent. Unforeseen circumstances brought about a receivership of the property and made the plan impracticable of execution at the present time. Holders of notes were requested to deposit them at once with the depositary. To November 15, 1914, 90 per cent of the notes had been deposited with the committee.

*Kansas City, Clinton & Springfield Ry.*—Default having been made in the April, 1914, interest on the first mortgage 5 per cent bonds, protective committee was formed, consisting of E. V. R. Thayer (chairman), Alfred D. Foster, F. R. Hart, and F. L. Higginson, with Frank H. Damon as secretary, and Story, Thorndike, Palmer & Dodge as counsel. Bondholders were urged to deposit their holdings with Bankers' Trust Co., New York, or Old Colony Trust Co., Boston, depositaries. In the early part of May, 1914, this interest was paid with funds provided by the receivers of the St. Louis & San Francisco R. R.

*Kansas City, Outer Belt & Electric R. R.*—On October 31, 1912, Thomas A. Bigger was appointed receiver. Receiver's certificates to the amount of \$40,000 have been issued to pay taxes and provide for care of property.

*Louisiana & Northwest R. R.*—On August 22, 1913, President George W. Hunter was appointed receiver by Judge Foster in the United States district court at New Orleans, on application of the Baldwin Locomotive Works.

*Macon & Birmingham Ry.*—S. F. Parrott, vice president, was appointed receiver of company on February 1, 1908, upon the application of the Old Colony Trust Co., Boston, trustee of the first 5 per cent mortgage. In September, 1910, J. B. Munson was appointed receiver to succeed S. F. Parrott.

*Marietta, Columbus & Cleveland R. R.*—D. B. Torpy, a director of the company, was on July 10, 1914, appointed receiver on application of the Columbia Trust Co., New York, trustee of the first mortgage 40-year fives, on which no interest has been paid.

*Missouri & North Arkansas R. R.*—On April 1, 1912, Federal Judge Trieber appointed W. S. Holt, George L. Sands, and Jesse McDonald as receivers of the property, on application of the St. Louis Union Trust Co., the trustee of the first mortgage, dated July 1, 1906. On March 4, 1914, John Scullin was appointed receiver to succeed George L. Sands, resigned.

*Missouri, Oklahoma & Gulf Ry.*—President William Kenefick was appointed temporary receiver December 11, 1913, for the properties of the Missouri, Oklahoma & Gulf Ry. and the Missouri, Oklahoma & Gulf R. R. by Judge Hook in the Federal court at St. Louis, on application by the Baldwin Locomotive Works, a secured creditor to extent of approximately \$206,000. The November, 1913, and subsequent coupons on the first mortgage bonds are in default. On January 12, 1914, L. S. Posner, of New York, and Alexander New, of Kansas City, Mo., were appointed receivers in place of William Kenefick, who asked to be relieved of the duty. Judge Hook, in the United States district court at Kansas City, on October 27, 1914, heard the application of the receivers to issue \$1,700,000 certificates for improvements, equipment, etc. As they supplant the lien of the bondholders, the court will not grant the application for their issuance until consent in writing of a majority of bondholders is presented.

*Missouri Pacific Ry.*—The undersigned are prepared to act as a proxy committee for stockholders at the forthcoming annual meeting. Committee: Alex. J. Hemphill, Otto H. Kahn, Seward Prosser, James N. Wallace, and Robert Winsor, with Charles E. Sigler, secretary, 54 Wall Street, New York. It is reported that an official of the company, on January 19, 1915, stated to Kuhn, Loeb & Co. and Blair & Co., of New York, that the Deutsche Bank of Berlin

are expected to become financial managers of the company and to provide funds to meet the maturing obligations of the road.

*New Mexico Central R. R.*—In December, 1914, the district court at Santa Fe, N. Mex., appointed Ralph C. Ely, Deming, N. Mex., as receiver, succeeding Charles Murray.

*New Orleans, Mobile & Chicago R. R.*—The Federal court at Mobile, Ala., on December 19, 1913, placed the property of company in the hands of President William F. Owen, as receiver on petition by the Metropolitan Trust Co., of New York, as trustee under the first and refunding mortgage, the coupons due July 1, 1913, on the outstanding bonds remaining unpaid. Owing to the default in the July 1, 1913, interest the following committee was appointed: John W. Platten, chairman; James G. Cannon, Robert Fleming (London), Frederick William Scott, and T. Nelson Strother, depositaries; United States Mortgage & Trust Co., New York, and Mercantile Trust & Deposit Co., subdepository, Baltimore. C. H. Murphy, 55 Cedar Street, New York; Beekman, Menken & Griscom, counsel, New York.

*New Orleans, Texas & Mexico R. R.*—On July 9, 1913, the United States district court at New Orleans appointed John D. O'Keefe, of New Orleans, and Frank Andrews, of Houston, Tex., permanent receivers for company on application of the New York Trust Co. On July 25, 1913, Mr. O'Keefe tendered his resignation as receiver of the Beaumont, Sour Lake & Western Railway and Orange & Northwestern Railroad Co. This left Frank Andrews as sole receiver of the last two mentioned companies, and also of the St. Louis, Brownsville & Mexico Railway Co. Mr. O'Keefe continues as sole receiver of the New Orleans, Texas & Mexico Railway in Louisiana, with headquarters at New Orleans. The United States District Court for the Southern District of Louisiana in October, 1914, authorized Receiver O'Keefe to issue not exceeding \$3,500,000 one-year 6 per cent certificates, dated October 15, 1914. Of these certificates the receiver was to issue sufficient to retire the \$2,000,000 outstanding series A certificates, due October 15, 1914, and \$300,000 St. Louis, Brownsville & Mexico Railway certificates. The remainder are reserved for further order of the court. Holders of the old outstanding certificates were offered in exchange therefor new certificates on the basis of \$1.025 face value of new certificates for each \$1,000 face value of the old certificates, being the equivalent of approximately an 8½ per cent interest basis for the new certificates. Under the order of the court the new certificates are made a lien on the property of the company, prior to the outstanding first mortgage bonds. Judge Foster in the Federal court at New Orleans in August, 1914, in the suit brought by the New York Trust Co., trustee, has ordered foreclosure sale of the road.

*New York, New Haven & Hartford R. R.*—At a meeting of the stockholders on April 21, 1914, the directors were authorized to complete negotiations with the Department of Justice for a peaceful solution of the so-called "New England" railroad situation, and to arrange for the segregation of the various properties that were under dispute. The department filed its petition in the District Court of the United States for the Southern District of New York on July 23, 1914, and the company filed its answer on September 17, 1914. An agreed decree was entered October 17, 1914, the result of which is shown in the company's annual report to its stockholders for the year ended June 30, 1914.

*Ohio River & Columbus Ry.*—The common pleas court at Georgetown, Ohio, on October 8, 1914, appointed Secretary and General Manager Charles J. Finger as receiver of this company on application of ex-Gov. Judge Harmon.

*Pere Marquette R. R.*—Owing to final refusal of Michigan State Railroad Commission to permit the company to carry on arrangement which it had made for borrowing money to meet maturing obligations, it became necessary that receivers be appointed, and on April 5, 1912, in the United States district court at Detroit Judge Angell placed the property in the hands of Newman Erb, New York; Frank W. Blair, Detroit, and Dudley E. Water, Grand Rapids, Mich., as receivers. On April 9, 1912, Frank W. Blair was also appointed ancillary receiver by United States District Judge Landis, at Chicago. On August 27, 1912, S. M. Felton was appointed coreceiver, succeeding Newman Erb, who resigned. On June 3, 1914, Paul H. King, of Grand Rapids, was appointed chairman of the receivers, to succeed S. M. Felton, who resigned. Frank W. Blair also resigned as receiver, effective September 30, 1914. No successor has been appointed. Judge Landis, in the Federal court at Chicago, on May 29, 1913, granted permission to the Bankers Trust Co., New York, and

Scott, Brown & Co., South Bend, Ind., to file suit for foreclosure of the improvement and refunding general mortgage. Later he granted leave to consolidate the suit with that brought by the American Brake Shoe & Foundry Co., filed in April, 1912, in which receivers were appointed. A bill to foreclose the consolidated mortgage was filed in the Federal court at Detroit, in April, 1914. Suit to foreclose the refunding mortgage was filed in the circuit court at Detroit on October 21, 1914. Refunding mortgage bondholders' committee: In April, 1912, holders of the refunding mortgage 4 per cent bonds of 1955 were invited to deposit their bonds with the Bankers Trust Co., New York, or Old Colony Trust Co., Boston, under the terms of a protective agreement. Committee: Gordon Abbott, Frank Q. Brown, F. N. B. Close, Colgate Hoyt, F. J. Lisman, and Frederick Strauss. Bethune W. Jones, secretary, 16 Wall Street, New York. Joline, Larkin & Rathbone, counsel. Five-year 6 per cent debenture committee: In April, 1912, holders of the 5-year 6 per cent debentures, due July 1, 1912, were requested to deposit their holdings with Guaranty Trust Co., New York, or Old Colony Trust Co., Boston, by the following committee: A. J. Hemphill, chairman; F. R. Hart, E. V. R. Thayer, A. H. Wiggin. Counsel, Parker, Hatch & Sheehan, New York. L. B. Franklin, secretary, 140 Broadway, New York. C. B. Humphrey, assistant secretary, 17 Court Street, Boston. Preferred shareholders committee: In April, 1912, holders of first and second preferred stock were requested to deposit their shares with Bankers Trust Co., New York, or Old Colony Trust Co. Committee: Philip Stockton, chairman; C. W. Cox, John M. Graham, Guy Norman, W. J. Wollman, C. R. Weeden, with F. W. Denio, secretary, 17 Court Street, Boston. Depositaries: Old Colony Trust Co., Boston, and Bankers Trust Co., New York. Counsel, Storey, Thorndike, Palmer & Dodge, 53 State Street, Boston. Consolidated mortgage bondholders' committee: In June, 1912, holders of Consolidated mortgage 4 per cent bonds of 1951, were requested to deposit their bonds with the Farmers' Loan & Trust Co., New York, by the following committee: E. S. Marston, W. W. Crapo, C. W. Cox, A. R. Kuser, and C. W. Weld. Counsel, Cadwalader, Wickersham & Taft, New York. Time for deposit was limited to November 30, 1914. Five-year 6 per cent collateral note-holders' committee: William H. Porter, chairman; C. H. Sabin, J. H. Mason, D. E. Pomeroy, and Fred. W. Stevens, with Francis Lynde Stetson, as counsel. Depositary, Guaranty Trust Co., New York. E. S. Pegram, secretary, 15 Broad Street, New York. Committee for all underlying bonds: E. V. R. Thayer, chairman; Arthur Adams, S. T. Crapo, F. R. Hart, Henry R. Hoyt, Oliver Prescott, A. H. Wiggin, F. H. Ecker, H. F. Whitcomb, with W. B. Donham, 17 Court Street, Boston, as secretary. Committee for equipment obligations on and after March 15, 1914: Howard Bayne, Harold Benjamin Clark, and Robert L. Bacon, with Columbia Trust Co., New York, depositary. This committee has arranged a plan under which \$57,833 will be paid monthly by the receivers up to June 30, 1915, to provide for interest and principal of equipment trusts and \$65,000 for repairs of equipment covered thereby. Interstate Commerce Commission investigation: Public hearings in the investigation of the Interstate Commerce Commission, under resolution of the House of Representatives, of financial operations of the Pere Marquette R. R. were begun at Detroit, Mich., on November 30, 1914, by Commissioner Hall. The inquiry has been in progress for several months.

*Pittsburg, Shawmut & Northern R. R.*—On August 1, 1905, Frank Sullivan Smith was appointed receiver upon application of the Central Trust Co. of New York, default having been made in the interest of the refunding bonds of 1952. No plan of reorganization had been formulated up to January 1, 1915.

*St. Louis & San Francisco R. R.*—Upon application by creditors, Judge W. H. Sanborn, in the United States district court at St. Louis, on May 27, 1913, placed the company in the hands of Benjamin L. Winchell, president of the company, and Thomas H. West, chairman of the board of directors of the St. Louis Union Trust Co., as receivers. The Federal court at St. Louis, on July 7, 1913, appointed Vice Presidents W. C. Nixon and W. B. Biddle as coreceivers with Thomas H. West, to succeed B. L. Winchell. On December 8, 1913, Thomas H. West resigned as receiver, and was succeeded by James W. Lusk, an attorney, of St. Paul. On May 28, 1913, William J. Jackson, vice president of the company, and Edwin W. Winter, of New York, were appointed receivers for the Chicago & Eastern Illinois R. R. Protective committee for general lien 15-20-year 5 per cent bonds: Under deposit agreement, dated May 28, 1913, Speyer & Co., New York, invited holders of this issue to deposit their bonds with the following depositaries: Bankers Trust Co., New York; Illinois

Trust & Savings Bank, Chicago; Girard Trust Co., Philadelphia; Old Colony Trust Co., Boston; Mississippi Valley Trust Co., St. Louis; Speyer Bros., London; Deutsche Treuband-Gesellschaft, Berlin; Associatie Cassa, Amsterdam; Credit Anversois, Antwerp; Schweizerische Kreditanstalt, in Zurich, Switzerland. Committee for refunding 4 per cent bonds: Frederick Isaac Strauss, chairman; J. N. Wallace, Alexander J. Hemphill, Edwin G. Merrill, Harry Bronner, C. W. Cox, Breckinridge Jones, with Charles E. Sigler, secretary, 54 Wall Street, New York City. Joline, Larkin & Rathbone, counsel. The July 1, 1914, interest on these bonds having been defaulted, this committee invited holders to deposit their bonds with any of the following depositaries: Central Trust Co. of New York, Mississippi Valley Trust Co., St. Louis; Berliner Handelsgesellschaft, Berlin, and Associatie Cassa, Amsterdam. As of October 1, 1914, about 85 per cent of these bonds had been deposited. Committee for New Orleans, Texas & Mexico division first mortgage 5 per cent bonds: Willard V. King, chairman; Stedman Buttrick, Lewis L. Clarke, Carl A. de Gersdorff, Lewis B. Franklin, Alfred Lichtenstein, C. S. W. Packard, J. F. Shepley, G. H. Walker, with George E. Warren, secretary, 60 Broadway, New York. Columbia Trust Co., New York, and St. Louis Union Trust Co., St. Louis, depositaries. Carter, Ledyard & Milburn, counsel. The interest due September 1, 1913, on these bonds was defaulted. In November, 1914, it was intimated that suit would shortly be instigated by the receivers, disclaiming liability for these bonds. Committee for two-year 5 per cent notes due June 1, 1913: Sewall H. Fessenden, Philip Stockton, and Louis V. Bright. Old Colony Trust Co., Boston, depositary; Lawyer's Title Insurance & Trust Co., New York, depositary's agent; Ropes, Gray & Gorham, counsel. Principal of these notes, due June 1, 1913, was defaulted. Committee for two-year 6 per cent notes, due September 1, 1914: Henry E. Cooper, chairman; C. J. Rhoads, Thomas A. Whelan, Jr., with A. Ludlow Kramer, secretary. Equitable Trust Co., New York, depositary. Murray, Prentice & Howland, counsel. Interest due September 1, 1913, on this issue was defaulted. Over 85 per cent of these notes have been deposited. Committee for Chicago & Eastern Illinois Trust certificates and stock of that company: Alvin W. Krech, chairman; Henry H. Porter, W. Emlen Roosevelt, Gordon Abbott, W. Redmond Cross, Horace J. Morse, Henry A. Vernet, with Richard R. Hunter as secretary. Equitable Trust Co., New York, depositary. Murray, Prentice & Howland, counsel. Committee for Kansas City, Fort Scott & Memphis securities: The below mentioned committee was formed in May, 1913, and called for deposit of the following securities: Kansas City, Fort Scott & Memphis Ry. refunding fours, Kansas City, Fort Scott & Memphis Ry. consolidated sixes; Kansas & Missouri R. R. first fives; Kansas City, Memphis & Birmingham R. R. general fours and income five; Kansas City & Memphis Ry. & Bridge Co. first fives; Kansas City, Clinton & Springfield Ry. first fives; Current River R. R. first fives; trust receipts for guaranteed 4 per cent preferred stock of Kansas City, Fort Scott & Memphis Ry. committee: E. V. R. Thayer, chairman; F. L. Higginson, Francis R. Hart, Alfred D. Foster, with Frank H. Damon as secretary, 50 State Street, Boston. Old Colony Trust Co., Boston, and Bankers Trust Co., New York, depositaries. Counsel: Storey, Thorndike, Palmer & Dodge. Committee for Ozark & Cherokee Central Ry. first fives, due October 1, 1913: E. S. Page, chairman; Howard Bayne, Robert C. Drayton, A. B. Leach, Robert L. Montgomery. Counsel: Roberts, Montgomery & McKeehan. Girard Trust Co., Philadelphia, and Columbia Trust Co., New York, depositaries. Committee for stockholders of St. Louis & San Francisco R. R.: Charles H. Sabin, chairman; E. V. R. Thayer, Stacy C. Richmond, Frederic Bull, with Theodore H. Price as secretary, care of Guaranty Trust Co., New York. Committee for French bondholders: The Association Nationale des Porteurs Français de Valeurs Étrangères, Paris, has constituted itself a protective committee to represent French holders of the company's bonds, of which it says \$23,000,000 general lien 5 per cent bonds and \$5,000,000 New Orleans, Texas & Mexico division first mortgage four-and-a-halves were brought out in France. St. Louis stockholders' committee: Samuel F. Fordyce and Albert T. Perkins. Foreclosure suits: A suit was filed in the United States district court at St. Louis, Mo., on May 23, 1914, by the Bankers Trust Co., New York, to foreclose the general lien mortgage. Suit has also been brought to foreclose the refunding mortgage. Restitution suit dropped: Judge Trieber in the United States district court at St. Louis, on November 10, 1914, at the request of the receivers, dismissed the suit brought in January, 1914, against 10 men who were directors of the company between December, 1909, and June, 1910, to recover \$14,408,921, which, it is alleged, was illegally caused



by them to be paid out in connection with the construction and acquisition of new lines. The dismissal of the suit is part of the plan of the receivers to disclaim liability of the St. Louis & San Francisco R. R. Co. on the \$28,-582,000 outstanding New Orleans, Texas & Mexico division bonds.

*San Antonio, Uvalde & Gulf R. R.*—Judge Burns in the Federal court at San Antonio, Tex., August 14, 1914, appointed Duval West receiver for the company.

*Tennessee Central R. R.*—On December 31, 1912, W. K. McAllister and H. B. Chamberlain were appointed receivers by Judge Sanford in United States district court at Knoxville, Tenn., on application of the Mercantile Trust Co., St. Louis. On April 1, 1914, the receivers were authorized to issue \$330,000 one-year 6 per cent certificates. Of these, \$180,000 were sold, and \$150,000 pledged as collateral for a loan by receivers. Protective committee: In view of the receivership the following protective committee was formed in January, 1913, requesting deposits of general mortgage 5 per cent bonds of 1954 with the Guaranty Trust Co., of New York, depository. A. J. Hemphill, chairman; G. H. Harris; Breckinridge Jones; W. T. Rosen; and Albert H. Wiggin; with L. B. Franklin, secretary, 140 Broadway, New York, and Roberts Walker and Van Vorst, Marshall & Smith, as counsel.

*Toledo, St. Louis & Western R. R.*—Judge Killits in United States district court at Columbus, Ohio, on October 23, 1914, appointed President W. L. Ross receiver. The application was made by Horatio C. Creith, of H. C. Creith & Co., Columbus, Ohio, contractors, on a claim of \$10,711, for material and labor. It is alleged that the floating debt exceeds \$400,000. Bondholders' committee: Default having occurred on the payment of the August 1, 1914, coupons on the collateral trust 4 per cent bonds, the below mentioned committee requested holders of series A and series B to deposit the same with the Union Trust Co., New York, depository, in order that their interests might be adequately protected. Committee: Edw. G. Merrill, president of Union Trust Co., New York, chairman; R. Walter Leigh, of Maitland, Coppel & Co.; Roberts Walker, of White & Case; and A. V. Morton, vice president of Pennsylvania Co., for insurance on lives and granting annuities, Philadelphia; with Louis C. Krauthoff, as counsel, and G. K. B. Wade, as secretary, 80 Broadway, New York. The time for making deposits expired December 18, 1914. Over 80 per cent of the bonds has been deposited. Stockholders committee: At the request of a very large majority of the holders of the preferred and common stock, the following have agreed to act as a protective committee to safeguard the interests of the said stockholders. Deposits of stock will be asked for in due course. Committee: Jules S. Bache, chairman; Walter S. Crandall; Edmon G. Hammersley; Colgate Hoyt; and Walter C. Taylor; with E. P. Goetz, as secretary, 42 Broadway, New York. In January, 1915, the above committee stated that a substantial amount of the stock has been deposited. Also that conditions are such that protective measures should be taken at once. Further deposits without delay were urged. Empire Trust Co., New York, is depository. The time for making deposits is limited to expire February 1, 1915, after which date no further deposits will be received, except upon such conditions as the committees may impose.

*Trinity & Brazos Valley Ry.*—On June 16, 1914, on petition of the Old Colony Trust Co., Boston, trustee of the first mortgage bonds, alleging that company had defaulted on interest due January 1, 1914, the road was placed in the hands of J. W. Robins, president, as receiver. The receivership is friendly. Track-age agreements have been abrogated and service terminated by company between Houston and Galveston, between Dallas and Fort Worth, Fort Worth and Cleburne, and Dallas and Waxahachie. Receiver Robins has announced that all parties to the trackage contracts have agreed to their abrogation, making it immediately effective. This will result in saving of \$210,825 yearly to road.

*Valdosta, Moultrie & Western R. R.*—Judge Thomas in the superior court at Valdosta, Ga., on August 23, 1914, on application of the Valdosta Bank & Trust Co., trustee for the bondholders, under suit to foreclose the mortgage, appointed B. P. Jones permanent receiver. On petition of the minority stockholders A. L. Davis and C. I. Harrell were appointed coreceivers, and Frank Roberts and W. B. Coneley advisory receivers and sales commissioners. Judge Thomas, on July 29, 1914, ordered the foreclosure sale of the road on December 1, 1914, in the suit brought by B. P. Jones as holder of the \$300,000 bonds. Mr. Jones obtained a verdict for the amount loaned, with interest at 8 per cent. Stockholders and creditors will, it is stated, appeal and carry the case to the supreme court.

*Wabash, Chester & Western R. R.*—Judge Bernreuter in the circuit court at Chester, Ill., on July 15, 1914, appointed J. F. Gilster, of Chester, as receiver of the property in the foreclosure proceedings brought by Edwards Whitaker and St. Louis Union Trust Co., mortgage trustees. Taxes and bond interest are in default, the interest due January 1, 1914, on the \$300,000 first-mortgage bonds, it is said, remaining unpaid, as well as the interest for 20 years passed on the \$390,000 first consols. For two years past the road has failed to earn even its operating expenses, and President C. B. Cole and associates have been carrying it.

*Wabash, Pittsburgh Terminal Ry.*—On May 29, 1908, the United States circuit court at Pittsburgh, Pa., appointed Francis H. Skelding and Henry W. McMaster as receivers of the property. On March 30, 1912, F. H. Skelding resigned as coreceiver. On December 18, 1912, an order was made appointing Horace F. Baker receiver to succeed Henry W. McMaster, who resigned. The bill of complaint stated that the company had defaulted on the payment of the principal and interest of a \$300,000 7 per cent note made November 30, 1906, to the Wabash Railroad Co., and was unable to meet the interest due June 1, 1908, on the \$30,236,000 first-mortgage bonds. Protective committees have been formed as follows: First-mortgage bondholders' committees—(1) James N. Wallace, chairman; Haley Fiske, Paul Morton, Gordon Abbott, George P. Butler, Harry Bronner, D. Crawford Clark, Charles C. Jackson, Asa S. Wing, with Franklin Babcock, secretary, 54 Wall Street, New York. Joline, Larkin & Rathbone, counsel. Depositaries: Central Trust Co., New York, and Old Colony Trust Co., Boston. (2) Opposition committee—James C. Chaplin, chairman; William R. Nicholson, Clarence L. Harper, Melgs H. Whaples, Richard Sutro, with William C. Taylor, secretary, 37 Wall Street, New York. Samuel Untermyer, counsel. Depositaries: Columbia Trust Co., New York; Colonial Trust Co., Pittsburgh; Land Title & Trust Co., Philadelphia; and Connecticut Trust & Safe Deposit Co., Hartford. Second-mortgage bondholders' committee: Alex. J. Hemphill, chairman; H. S. Redmond, A. J. Miller, A. H. Wiggin, New York, with Lewis B. Franklin, secretary, 140 Broadway, New York. Hornblower, Miller & Potter, counsel. Depositary: Guaranty Trust Co., of New York and London, England. Foreclosure: The Mercantile (now Bankers) Trust Co., as trustee under the first mortgage brought suit in the United States court at Pittsburgh, Pa., on September 2, 1908, to foreclose the mortgage, which court on January 8, 1913, ordered foreclosure sale of the property, with an upset price of \$6,000,000. Reorganization and merger plan: Early in May, 1913, Daniel B. Ely & Co., of New York, issued in pamphlet form their plan for the reorganization of the company, and the Wheeling & Lake Erie R. R. under title of Wheeling, Lake Erie & Pittsburgh R. Co. The pamphlet presents two plans which differ merely in the manner of raising the \$25,500,000 necessary new cash. Plan No. 1 calls for the sale of \$30,000,000 first and refunding mortgage 5 per cent bonds. The alternate plan provided in view of the then market conditions, that in place of selling the first and refunding bonds there should be sold \$21,000,000 3-year 6 per cent notes, secured by pledge of said bonds, and that for the remainder of the cash there should be paid an assessment of 11 per cent, for which there would be given at 86 \$5,965,000 first and refunding mortgage bonds, stamped as incomes for seven years. Government investigation: Chairman Adamson, of the House Committee on Interstate and Foreign Commerce, on July 16, 1914, announced that he had received assurances from the Interstate Commerce Commission that it would make an investigation into the affairs of the company as soon as it had completed its inquiry into the Pere Marquette R. R.

*Wabash Railroad.*—On December 18, 1911, receivers were appointed by the Circuit (now District) Court of the United States for the Eastern District of Missouri, of all the railroads and property, and default having been made on January 1, 1912, in the payment of the interest which fell due on that date upon all first-refunding and extensions-mortgage bonds, an action was instituted in the above-named court for the foreclosure of the first refunding and extensions mortgage, and a receivership was extended to the foreclosure action and still continues. A decree for the foreclosure of the mortgage was entered by the District Court of the United States for the Eastern District of Missouri on January 30, 1914, and has also been entered in all courts of ancillary jurisdiction. Edward B. Pryor is now sole receiver. Judge Adams

in the United States district court of St. Louis on January 30, 1914, ordered the foreclosure sale of the road. Upset price, \$34,000,000. Charles H. Krum, of St. Louis, was appointed special master to execute the sale. Readjustment committee: Winslow S. Pierce, chairman; Robert Goelet, Thomas H. Hubbard, Alvin W. Krech, Johannes Luden, Robert Fleming, with H. R. Winthrop, secretary, and Equitable Trust Co., New York, depository. Murray, Prentice & Howland and Pierce & Greer, counsel. First-refunding and extensions-mortgage bondholders' committee: James N. Wallace, chairman; Henry R. Carse, John J. Mitchell, Robert L. Montgomery, H. K. Pourroy, William A. Read, J. Herndon Smith, Alex. M. White, Willard V. King, and Albert H. Wiggin, with Franklin L. Babcock, secretary. J. P. Cotton, Jr., counsel. Central Trust Co., New York, depository. Stockholders' protective committee: J. Horance Harding, chairman; Franklin Q. Brown, Charles H. Keep, Frank B. Keech, Arthur Koppell, Philip Lehman, and Frank K. Sturgis, with Pemberton Perman as secretary, and Carter, Ledyard & Milburn as counsel. Columbia Trust Co., New York, depository. Noteholders' committee: The receivers of the company having defaulted in the payment of the principal of the \$5,000,000 extended 4½ per cent notes, due May 1, 1913, the following committee representing a majority of the notes agreed to act for the protection of the noteholders: John W. Platten, chairman; Otto T. Bannard, and Henry R. Ickelheimer, with Calvert Brewer, 55 Cedar Street, New York, secretary, United States Mortgage & Trust Co., New York, depository. The committee advanced the amount of the May 1, 1913, coupon to depositing noteholders who desired it. Judge Lacombe, in the United States district court in New York on January 11, 1915, by consent of all parties, dismissed the cross bill of the Bankers' Trust Co. in the suit brought by the Central Trust Co. to foreclose the \$5,000,000 4½ per cent notes of 1905, payment of which was extended to May 1, 1913. First-refunding and extensions 4 per cent bonds; \$35,602,000 of these bonds (being the entire amount issued, except those owned by the Wabash R. R. Co., and either held in its treasury or pledged as collateral security for certain of its obligations) have been listed on the New York Stock Exchange. The entire amount was deposited and pledged by the Wabash R. R. Co. with certain bankers on or about February 11, 1911, as further security for an obligation of the Wabash R. R. Co. incurred in connection with the purchase of \$8,000,000 of 3-year 5 per cent notes of the Wheeling & Lake Erie R. R. Co. By the terms of the agreements under which said bonds were pledged the pledges thereof were entitled, upon default being made in the payment of the principal of said obligation or of the interest thereon, to sell all or any part of the securities held as collateral, and default having been made by the Wabash R. R. Co. in the payment of the principal of said obligation, which became due and payable on August 1, 1913, all of the securities held as collateral were offered for sale at public auction in the city of New York, and were sold and are in the hands of bona fide holders for value and by the terms of the foreclosure decree above mentioned the holders thereof are entitled to enforce the aforesaid bonds together with the coupons annexed thereto, maturing January 1, 1912, and subsequently against the Wabash R. R. Co. and its property.

*Watauga & Yadkin River R. R.*—W. J. Grandin was appointed receiver of company on November 12, 1914.

*West Side Belt R. R.*—On June 22, 1908, F. H. Skelding and H. W. McMaster were appointed receivers of the property. On March 30, 1912, F. H. Skelding resigned as coreceiver. On December 18, 1912, Horace F. Baker was appointed receiver to succeed Henry W. McMaster, who resigned. In August, 1912, Judge Young, in the United States district court at Pittsburgh, Pa., entered a decree directing the sale of the property to take place October 29, 1912, under the judgment of the Pittsburgh Construction Co., at an upset price of \$1,500,000. On September 16, 1912, Judge Orr entered a decree in the same court reducing the upset price from \$1,500,000 to \$1,250,000. The lien of the construction company of about \$483,000 has been taken over by the reorganization committee of the Wabash Pittsburgh Terminal Ry. Co. in order to give the committee an opportunity to arrange a plan of reorganization which may make it unnecessary that the property be sold. No sale had taken place to January 23, 1915.

*Western Maryland Ry.*—The interest due January 1, 1915, both on the \$10,000,000 5 per cent notes of 1912 and on the \$6,000,000 unsecured 6 per cent notes (all of which mature July 1, 1915), was deferred. The company invited the cooperation of the note holders to the end that the comprehensive plans for a financial

readjustment may be more speedily and effectively consummated. The committee named below is accordingly urging the immediate deposit of all the notes with the January, 1915, coupon attached at the Bankers' Trust Co., New York, depository, under agreement dated December 14, 1914. As of January 1, 1915, over 85 per cent of the aggregate amount of the notes had been deposited. Note holders' committee: Frederick T. Gates, chairman, Ivy L. Lee, Alvin W. Krech, Edgar L. Marston, and Edward D. Adams, with Hunter S. Marston, secretary, 24 Broad Street, New York, and Lawrence Greer, counsel. Under date of December 14, 1914, a circular was issued by the note holders' committee. Among other things the circular stated that the company has had under consideration for some time past plans of financial readjustment, embracing the separation of the properties of the system into three distinct units, viz, the railroad lines, the terminal properties, and the coal properties, and the establishment of appropriate capital resources for future needs and development. The progress of these plans has been temporarily checked through the outbreak of the war in Europe, and the company has determined that a postponement of the entire consummation of its plans is necessary, pending the restoration to more normal conditions.

*Western Pacific Ry.*—The following announcement was made on August 6, 1914: "The board of directors of the Denver & Rio Grande R. R. has authorized the announcement that the interest which will fall due September 1, 1914, upon Western Pacific Ry. first-mortgage bonds will be paid, but if the Denver & Rio Grande R. R. is to continue its support of the Western Pacific Ry. some plan of adjustment of Western Pacific Ry. finances and the relation of the Denver & Rio Grande R. R. hereto must be devised which will be acceptable to the holders of the bonds, and that a call for the deposit of these bonds will be put forth at an early date by a committee of responsible bankers, looking to the adoption of a plan which will at once lighten the burden which the Denver & Rio Grande R. R. is now carrying to place the financial structure of the system upon a basis of recognized solvency and credit, and as far as may be practical provide means for the development of the Western Pacific Ry."

*Wheeling & Lake Erie R. R.*—On June 8, 1908, Judge R. W. Taylor, in the United States district court at Toledo, appointed B. A. Worthington receiver for the company, on application made by the National Car Wheel Co., a creditor to the extent of \$87,910. On July 21, 1910, receiver purchased at foreclosure sale the property of the Toledo Dock & Coal Co. for \$63,400, it being deemed advisable to retain control of this dock property on the Toledo Harbor. In June, 1912, William M. Duncan was appointed receiver to succeed B. A. Worthington, who resigned. In December, 1912, Judge Day, in the United States district court at Cleveland, granted the request of minority stockholders of the Wheeling & Lake Erie R. R. Co. to make the Wabash R. R. Co. a party defendant in the Wheeling & Lake Erie receivership suit. Stockholders' protective committees: J. R. Nutt, William J. Mather, George T. Bishop, Cleveland; John W. Platten, New York; with Calvert Brewer, 55 Cedar Street, New York, and John M. Garfield, Cleveland, Ohio, as secretaries. United States Mortgage & Trust Co., New York, and Citizens' Savings & Trust Co., Cleveland, depositories. Frank H. Ginn, counsel, Cleveland. The following constitute a temporary stockholders' committee: Joseph Ramsey, jr., and Ralph E. Slavens, New York, and J. & J. Taussig and Wernse & Diekman, St. Louis, Mo. Decision: Judge Day, in the United States district court at Cleveland, Ohio, on January 5, 1914, sustaining the contention of the minority stockholders, held illegal and void the contracts of 1902 and 1904, under which the Wheeling & Lake Erie and Wabash R. Rs. were to turn over to the Wabash Pittsburgh Terminal Ry. 25 per cent of the gross receipts on all traffic interchanged. Judgment was also awarded for \$578,198 against the Wabash and the Wabash Pittsburgh Terminal Ry., lessening by that amount the sum (said to be about \$1,000,000) due by Wheeling & Lake Erie to those companies. The court also upheld the validity of the \$3,000,000 notes issued in 1905, which were secured by deposit of general mortgage bonds, and deposited as part collateral for the Wabash loan, the latter having been purchased at auction on August 1, 1913, by the Kuhn, Loeb & Co. syndicate that made the loan. Foreclosure sale: Judge Day, in the United States district court at Cleveland, Ohio, on April 1, 1914, ordered the foreclosure sale of property; upset price \$20,000,000. The upset price was increased from \$12,000,000 at the request of the minority stockholders. The property was advertised to be sold at auction in Cleveland on September 25 under foreclosure of the general mortgage of 1905. The sale was to be made subject to the several

prior lien mortgages executed by the company and its predecessor prior to August 1, 1905, and subject also to all equipment trust agreements, including the receivers' equipment trust, dated March 1, 1913. No bids were received on September 25, 1914, the upset price, \$20,000,000, being declared too high. The sale was postponed indefinitely and the matter referred back to Federal Judge Clarke for further action. Upset price reduced: In December, 1914, press dispatches stated that Judge Clarke had fixed \$18,500,000 as the price at which the road may be sold.

*Williamsville, Greenville & St. Louis Ry.*—The United States district court at St. Louis, Mo., on September 6, 1913, appointed R. E. Slowey, of Greenville, Mo., as receiver. The road was sold at foreclosure sale on November 10, 1914. The Ozark Valley R. R. Co. has been incorporated as the probable successor to the Williamsville, Greenville & St. Louis Ry.

*Wisconsin, Minnesota & Pacific R. R.*—In September, 1912, a protective committee was formed requesting the deposit of bonds with the Central Trust Co., New York, depository, or Martin's Bank (Ltd.), London, as agent for depository. Committee: James N. Wallace (chairman), Sidney C. Borg, Charles R. Cox, R. W. Leigh, and L. B. Schlesinger, with F. L. Babcock, secretary, 54 Wall Street, New York, and L. C. Krauthoff, C. A. Severance, and A. A. Cook, as counsel.

*Wisconsin & Michigan Ry.*—Effective February 1, 1912, S. N. Harrison, of Peshtigo, Wis., was appointed receiver pursuant to order of the district court of the United States.

*Rock Island Co.*—The following committee in February, 1914, urged deposit of the common and preferred shares with the Bankers' Trust Co., New York, depository: William A. Read, Arthur Curtiss James, William Church Osborn, Ogden Mills, Francis L. Hine, Andrew J. Miller, Benjamin Strong, jr., and Festus J. Wade, with F. W. Mowle, 28 Nassau Street, New York, as secretary, and B. W. Jones, 16 Wall Street, New York, as assistant secretary. Counsel: Hornblower, Miller & Potter and Cadwalader, Wickersham & Taft. Mr. Mille is a member of the firm of Bolsevaln & Co. and represents the large Dutch holdings. The above stockholders' protective committee sent in November, 1914, a circular to holders of certificates of deposit of the preferred and common stock announcing its intention to disband. Tentative plan abandoned: The stockholders' protective committee, William A. Read, chairman, on July 21, 1914, announced: "A tentative plan for the reorganization of the Chicago, Rock Island & Pacific Ry. Co. was adopted by the bondholders and stockholders' protective committees on June 19, 1914. The plan contemplated that about \$30,000,000 should be raised by subscription by the bondholders of the railroad and the stockholders of the Rock Island Co. to a proposed 7 per cent preferred stock of the railway. At the request of the committee a revised balance sheet and estimate of earnings has been prepared by the officers of the railway to conform, in their opinion, to the accounting rules of the Interstate Commerce Commission as revised and made effective July 1, 1914. This statement was presented on July 17, 1914, and after careful consideration the stockholders' protective committee has deemed it inadvisable to proceed with the tentative plan. The syndicate which was formed to underwrite the plan, and which was oversubscribed, has declined to proceed and has been dissolved." Investigation: Inquiry by the Interstate Commerce Commission at Washington into the affairs of the Rock Island System was commenced October 16, 1914, before Commissioner Clements and Chief Counsel Folk. Inquiry is the result of introduction in House in February, 1914, of a resolution calling for information as to "nature of control exercised by said holding companies," Rock Island Co. and Chicago, Rock Island & Pacific R. R. Co., over the Chicago, Rock Island & Pacific Ry. Co.; the amount of profit made by the promoters of said transactions and banks or financial institutions connected therewith, and the effect of these transactions upon the status of the Chicago, Rock Island & Pacific Ry. Co."

#### GUGGENHEIM EXHIBIT.

LIST FOR THE UNITED STATES COMMISSION ON INDUSTRIAL RELATIONS, SHOWING COMPANIES IN WHICH THE MEMBERS OF THE FIRM OF M. GUGGENHEIM'S SONS ARE DIRECTORS, ETC.

Isaac Guggenheim, director in the following companies: American Smelting & Refining Co., American Smelters Securities Co., Guggenheim Exploration Co.,

Yukon Gold Co., Chile Exploration Co., Chile Copper Co., National Park Bank, and Mexican Union Railway. Holdings in the following companies: Guggenheim Exploration Co., Chile Copper Co., Chile Exploration Co., Yukon Gold Co., American Smelting & Refining Co., and American Smelters Securities Co.

Daniel Guggenheim, director in the following companies: American Smelting and Refining Co., American Smelters Securities Co., Garfield Smelting Co., Guggenheim Exploration Co., Yukon Gold Co., Chile Copper Co., Chile Exploration Co., Mexican Union Railroad Co., Guaranty Trust Co., National Bank of Commerce, American Surety Co., and Gimble Bros. (Philadelphia). Holdings in the following companies: American Smelting & Refining Co., Guggenheim Exploration Co., National Bank of Commerce, Guaranty Trust Co., Yukon Gold Co., Braden Copper Mines Co., Utah Copper Co., American Smelters Securities Co., Gimble Bros. (Philadelphia), New River Collieries Co., American Congo Co., Alaska Syndicate, Bunker Hill & Sullivan Mining & Concentrating Co., Chile Copper Co., Angola Mines (Kongo), and Royal Typewriter Co.

Murray Guggenheim, director in the following companies: American Smelting & Refining Co., American Smelters Securities Co., United States Zinc Co., Baltimore Copper Smelting & Rolling Co., Guggenheim Exploration Co., Utah Copper Co., Yukon Gold Co., Nevada Consolidated Copper Co., Nevada Northern Railroad Co., New River Collieries Co., Chile Copper Co., Chile Exploration Co., Braden Copper Co., Braden Copper Mines Co., and Mexican Union Railroad Co. Holdings in the following companies: American Smelters Securities Co., American Smelting & Refining Co., International Steam Pump Co., Guggenheim Exploration Co., Central Railroad of New Jersey, Utah Copper Co., Braden Copper Mines Co., Gimble Bros., Bunker Hill & Sullivan Mining & Concentrating Co., Alaska Syndicate, Sidney Blumenthal & Co., New River Collieries Co., American Congo Co., Yukon Gold Co., Guaranty Trust Co., Chile Copper Co., and Angola Mines (Kongo).

S. R. Guggenheim, director in the following companies: American Smelting & Refining Co., American Smelters Securities Co., American Smelters Steamship Co., Braden Copper Co., Braden Copper Mines Co., Guggenheim Exploration Co., Interborough Metropolitan Co., Nevada Consolidated Copper Co., New River Collieries Co., Utah Copper Co., Yukon Gold Co., Chile Copper Co., and Chile Exploration Co. Holdings in the above and following companies: Electric Boat Co., Royal Typewriter Co., Gimble Bros. (Philadelphia), and Alaska Syndicate.

Hon. Simon Guggenheim has holdings and is director in the following companies: American Smelting & Refining Co., American Smelters Securities Co., Guggenheim Exploration Co., Nevada Northern Railroad Co., Braden Copper Co., Chile Exploration Co., Chile Copper Co., and New River Collieries Co.

#### BERWIND EXHIBIT.

NEW YORK, March 9, 1915.

MR. LEWIS K. BROWN,  
*Secretary United States Commission on Industrial Relations,  
Transportation Building, Chicago, Ill.*

DEAR SIR: In reply to your letter of the 23d of February, which has not been answered earlier on account of my absence, I would say:

1. Minimum yearly income for unskilled labor.

We assume this refers to outside labor, \$514.80. Inside labor, also unskilled, would be at least 20 per cent higher.

2. Statement showing policy of company with reference to the amount of compensation given by the company in case of accidents, covering loss of limbs, eyes, permanent disability, or loss of life.

Our various interests operate under compensation acts in all States except Pennsylvania, in which State accidents covering loss of limbs, eyes, and permanent disability are dealt with individually. In case of loss of life the beneficiaries of every employee receive compensation from our relief fund in addition to what is paid by insurance companies in cases of liability.

3. Wages paid monthly to miners and rate per ton upon which wages are based.

Hand mining, \$0.72 run of mine; machine mining, \$0.53 run of mine; wages paid semimonthly.

4. Working hours of drivers, dumpers, and other unskilled labor.

Working hours of drivers, dumpers, motormen, spraggers, and unskilled labor, 8 to 10 hours.

5. The minimum rent rate for company houses and the percentage of cost upon which the rent is figured.

The minimum rent on six-room company houses is \$5 per month, including water. House rents are not arrived at on percentage basis of their cost of construction. A house to-day costs double what it did 10 or 15 years ago. All wages paid have advanced from 65 to 100 per cent. The cost of construction of miners' houses has increased at least 100 per cent. Rents have advanced about 30 per cent.

We trust the above affords the information you desire.

Very truly, yours,

EDWARD J. BERWIND.

### GOMPERS EXHIBIT.

#### NATIONAL LIBERAL IMMIGRATION LEAGUE.

*150 Nassau Street, New York.*

Agreement entered into June 17, 1912, by and between the National Liberal Immigration League of New York, party of the first part, and Bela A. Sekely, of New York, party of the second part, witnesseth:

First. Party of the second part agrees to endeavor to raise financial support for the National Liberal Immigration League and party of the first part agrees and obliges itself to pay to party of the second part commissions as stated in the following paragraph for each and all contributions and donations secured by party of the second part.

Second. It is mutually agreed by the contracting parties that party of the first part will pay to party of the second part the following commissions on each of the donations and contributions secured by party of the second part:

(a) On sums over \$10,000 (ten thousand dollars), a commission of 10 per cent (ten per cent);

(b) On sums over \$5,000 (five thousand dollars) up to \$10,000 (ten thousand dollars), a commission of 15 per cent (fifteen per cent);

(c) On sums over \$1,000 (one thousand dollars) up to \$5,000 (five thousand dollars), a commission of 20 per cent (twenty per cent);

(d) On sums amounting to \$1,000 (one thousand dollars) or less, a commission of 25 per cent (twenty-five per cent);

(e) On all contributions and donations made by parties after one year has elapsed since their first contribution was made, party of the first part will pay to party of the second part a commission of only 10 per cent (ten per cent), irrespective of the size of such contributions or donations.

Third. It is mutually understood and agreed that when a single contribution is made by business concerns known as trusts or holding companies, this contribution comprising the contributions of several subsidiary companies of such trust or holding company (like the United States Steel Corporation), then the amount of such contribution is to be subdivided by the number of companies belonging to such trust or holding company and the percentage of commission is to be determined by and to be paid on each of the average amounts shown by the subdivision stated above.

Fourth. Party of the first part agrees to pay to party of the second part a weekly sum of twenty-five dollars (\$25) to cover his personal expenses, the total of such payments, however, to be deducted from the total of commissions due to party of the second part.

Fifth. Party of the first part agrees to pay the traveling expenses for party of the second part and such necessary business expenses as typewriting, etc.

This agreement can be discontinued by either party in giving two weeks' notice to the other party.

N. BEHAR.

BELLA A. SEKELY.

WIESBADEN, COLN, *August 22, 1913.*

MY DEAR MR. SEKELY: I am going shortly to Liverpool, as everything depends on the decision taken there. I will do my best—as far as argument and persuasion can go.

Received your friendly lines the 5th inst. I hope by this time you have received from Mr. Waron or otherwise the \$30.

Very glad to hear that you will go often to the office.

I enjoyed the trip in the steamer where I could do good service by refraining from sitting at table at night for supper. No more so, since I must count the sous and the pfennigs.

Let us hope, with kind regards for you and Mr. Berlin,

Yours,

N. BEHAR.

My address: 9 Rue Wauquelin, Paris.

I hope you will obtain from Mr. O'Brien to sign a letter to the signatories, which I will send by next mail. The object of the letter in question is to notify our signatories that we will append their names to our arguments.

This is one of a series of circular letters appealing to corporations for the customary contributions and cash signed by the field representative, who is B. A. Sekely:

#### EDUCATIONAL DEPARTMENT.

Educational committee: N. Behar, managing director; John E. O'Brien, secretary; B. A. Sekely, field representative; Arthur F. Day; George M. Dodge; Michael J. Drummond; Charles W. Elliot; Judson Harmon; John J. Hynes; G. Gumby Jordan; Charles R. Parkhurst; Charles L. Stickney; William E. Story; William Sulzer; F. William Vogt.

#### NATIONAL LIBERAL IMMIGRATION LEAGUE.

(Selection and distribution rather than restriction.)

Headquarters, No. 150 Nassau Street, New York City. Telephone, 4762 Beekman. P. O. Box, 1261.

OCTOBER 14, 1913.

SUSQUEHANNA COAL CO.,

907 Arcade Bldg., Philadelphia, Pa.

GENTLEMEN: There are now eight new restrictive bills before Congress. One of them, introduced by Representative Roddenbery, provides for an educational test, increase of head tax from \$4 to \$25, possession of \$100, and a physical test like that imposed on recruits for the Navy.

Worst of all these bills is the new Dillingham measure, providing that not more than 10 per cent of the number of any nationality in this country shall be admitted in any one year.

As soon as the regular session of Congress opens there will be started a blither fight on immigration. We must be prepared, and the most effective way is to strengthen the hands of this league, which is the official organization of the liberal immigration movement. To do this is the duty of every citizen who believes in keeping the gates of America open to deserving immigrants.

This league has no lobby in Washington and never has had one. It has always worked openly in legitimate and commendable ways, by educating public opinion, by holding meetings in various parts of this country, and sending delegations to Washington when necessary. We believe this honest expression of enlightened public sentiment will in the end triumph over the methods of the restrictionists. But we must present a united front, and to that end we ask you to send your contribution, as you did last March.

Very truly, yours,

NATIONAL LIBERAL IMMIGRATION LEAGUE.  
Per FIELD REPRESENTATIVE.

BAS/SP.

#### SOME CORPORATIONS' CONTRIBUTIONS.

1912.	
Nov. 20. Berwind-White Coal Mining Co., New York.....	\$500. 00
May 24. Jones & Laughlin Steel Co., Pittsburgh.....	250. 00
Aug. 26. Pittsburgh Coal Co., Pittsburgh.....	200. 00
Nov. 25. Pittsburgh Plate Glass Co., Pittsburgh.....	100. 00
May 2. Jacob H. Schiff, New York.....	100. 00
Sept. 23. Standard Sanitary Manufacturing Co., Pittsburgh.....	50. 00
91 contributions ranging from \$0.50 to \$25.....	357. 30
Total.....	<u>1, 557. 30</u>



# 7750 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

1913.

Mar. 1.	Susquehanna Coal Co., Philadelphia	\$500. 00
Feb. 2.	Lackawanna Steel Co., Lackawanna, N. Y.	100. 00
Mar. 24.	Rogers-Brown Iron Co., Buffalo	50. 00
Mar. 26.	Keystone Coal & Coke Co., Greensburg, Pa.	50. 00
	76 contributions ranging from \$0.50 to \$25.	304. 90

Total..... 1, 004. 90

MAY 29, 1913.

Income of the National Liberal Immigration League from Jan. 1, 1913, to date:

Mar. 1.	Susquehanna Coal Co., Philadelphia, Pa.	\$500. 00
Feb. 2.	Lackawanna Steel Co., Lackawanna, N. Y.	100. 00
Mar. 24.	Rogers-Brown Iron Co., Buffalo, N. Y.	50. 00
Mar. 26.	Keystone Coal & Coke Co., Greensburg, Pa.	50. 00
May 27.	Carnegie Corporation of New York	250. 00
	114 contributions ranging from \$0.50 to \$25.	558. 40

Total..... 1, 508. 40

Rough drafts used as basis for letter to Andrew Carnegie, appealing for contributions and indorsing National Association of Manufacturers:

DEAR SIR: May I for a moment claim your kind attention to the character and labors of the National Liberal Immigration League?

The chief aim of our league is to preserve for our country the benefits of immigration while keeping out undesirable immigrants.

Amongst our definite achievements, I may say that since December, 1905, our league has, by means of open agitation, through mass meetings and the distribution of argumentative literature, defeated all anti-immigration bills, beginning with the Gardner bill, No. 8495, introduced that year, which provided for a \$40 head tax. Conspicuous amongst such bills defeated by us was the Hayes bill of 1910.

All along we have ceaselessly been advocating the distribution of immigrants and labor, improvements in steorage conditions, and increased facilities for the naturalization of allens worthy of that privilege, while on the other hand it has been our continued aim to promote good citizenship and patriotic sentiment amongst immigrants.

Up till recently we were receiving from a steamship line (name) \$15,000 per annum, which, however, scarcely covered our running expenses, considering the vast amount of literature we print and distribute during the year. But the steamship line in question no longer see their way to keep up their contribution, and so we are compelled to fall back for support upon appeals to private citizens. We are confident that the responses will come in according to our deserts.

As a friend of our cause, as shown by yourself in your letter to our president, February 2, 1911, we would appeal to you to head our list of subscribers.

Sincerely, yours,

The league, however, is fully inclined to indorse the National Council for Industrial Defense, organized and conducted under the leadership of the National Association of Manufacturers. We are convinced that their activities are beneficent to labor as well as to capital, to employees as well as to employers.

Yours, very truly,

The foregoing paragraph was evidently an afterthought.

## NATIONAL LIBERAL IMMIGRATION LEAGUE.

Statement of Income and Liabilities, July 1, 1910-November 20, 1911:

Cr.

Receipts—

Paris	\$15, 000. 00
Subscriptions for the distribution of Prof.	
Charles W. Elliot's letter	1, 584. 30
Dues and donations	380. 42

Total income..... \$16, 064. 72

Dr.

## Expenditures—

From July 1, 1910, to Nov. 20, 1911-----	\$19, 476. 19
Deficit -----	2, 511. 47
Deficit July 1, 1910-----	1, 680. 70
Total deficit, Nov. 20, 1911-----	4, 192. 17
Liabilities to date-----	1, 974. 97
Total deficit and liabilities-----	6, 167. 14

The foregoing financial statement discloses a deficit of \$6,167.14 and shows the reason why Mr. Behar, managing director of the National Liberal Immigration League, sent the following cablegram and letter confirming the same:

[Postal Telegraph Commercial Cables Telegram.]

DECEMBER 15, 1911.

Director STORM,

*Hamburg-Amerika Linie, Hamburg, Germany:*

We owe over seven thousand dollars in salaries, rent, printing, etc. Unless we pay immediately, we will be sued and put in bankruptcy with disagreeable consequences for all concerned.

BEHAR.

DECEMBER 15, 1911.

Mr. ADOLPH STORM,

*Director Hamburg-Amerika Linie, Hamburg, Germany.*

DEAR SIR: This morning I said to Mr. Boas that I am continually assailed by creditors to whom we are indebted for rent, printing, etc. I added that it had been suggested to me to send these people to him, but he had always acted so kindly and gentlemanlike that I found it my duty to spare him any trouble. He suggested to me to address to you the following cablegram:

"We owe over seven thousand dollars in salaries, rent, printing, etc. Unless we pay immediately, we will be sued and put in bankruptcy, with disagreeable consequences for all concerned." which I did.

Very truly, yours.

The following is a banking statement of Nissim Behar in account with the Guarantee Trust Co. of New York, on the company's financial blank:

*Nissim Behar, 150 Nassau Street, New York, in account with Guaranty Trust Co. of New York.*

If no report be made within ten days the account will be considered correct.—Vouchers returned.

Line. No.	Day.	Checks.	Day.	Total. Checks.	Date.	Deposits.
1	10	\$1, 083. 13	10	\$1, 083. 13	9	\$11, 083. 13
2	17	200	17			
3	28	9, 800	28	9, 800		
Balance interest to Dec. 28						8. 13
Total (Dec. 31, 1910)-----				11, 083. 13		11, 091. 36
Balance -----						8. 13

The following is a carbon copy of a letter sent by Mr. Behar, managing director of the National Liberal Immigration League, to Messrs. Japhot & Saget, Compagnie Generale Transatlantique, Rue Auber, Paris, France, appealing for contributions to start a tremendous agitation throughout the country against immigration legislation. The letter discloses the activity of former Congressman Bennet and the "service" rendered by the Socialist paper, the New York Call.

7752 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

N. L. I. LEAGUE.

Correspondence file.

Subject:

NOVEMBER 23, 1910.

MESSRS. JAPHOT & SAGET,

*Compagnie Generale Transatlantique, Rue Auber, Paris, France.*

GENTLEMEN: We arrived safely on the 22d instant. I was permitted to leave the steamer without any formality, as an American citizen; but my baggage naturally went with the rest to Ellis Island, causing me some annoyance and loss of time. On the 24th I went to Washington to see the Secretary and hand him over a letter from the secretary of our league, of which I inclose copy. I inclose also clipping from the Sun on this subject. The same has been appearing throughout the press generally, even in the Call, which is the Socialist paper.

Though I am personally not unknown to the Secretary, still I took with me my friend, Mr. William S. Bennet, who is prominent in the Republican Party. The Secretary assured us that he and the President are anxious to prevent the breaking of family ties of American residents, but the law must be obeyed, according to the decision given by the Solicitor, as per inclosed. But he will do his best to make the application as rare and as lenient as possible.

As to the consequences of the last election, I was told at Washington that they would be felt in the tariff question, the Democrats being since long declared against the tariff, if not unanimously, at any rate in an overwhelming majority. As to the immigration question, there are Democratic restrictionists as well as liberals, and to be more correct, they go according to the manifestation of public opinion.

I will urge all my friends to start a tremendous agitation throughout the country, beginning in December and continuing through January. I shall be very glad to receive your contribution as soon as possible, as I am compelled to make inroads now before the end of November in the supplies which are to last until August, 1911.

Respectfully, yours.

NB-SRP.

---

The following letter is from Mr. Rene Sagot to Mr. Behar, responding to the latter's letter of November 23, 1910:

PARIS, 30th December, 1910.

Dear Mr. BEHAR:

I was glad to hear that you had a good crossing on the *Chicago* and that you landed safely on the other side.

I suppose my chiefs have now written to you. Anyhow I most thank you for the very interesting literature you have forwarded to me.

Would you mind in future addressing your correspondence to my chief alone and not mention my name on the address, as I am far from being on the same footing in the firm.

Wishing you a happy, healthy, and prosperous new year, believe me, dear Mr. Behar,

Yours, very truly,

RENE SAGOT.

---

Here is a copy of the original letter sent by Mr. Pannes, on the official letter-head of the Hamburg-American line:

H. A.

P.

A. G.

HAMBURG-AMERICAN LINE,  
902 Olive Street, St. Louis, January 20, 1909.

Mr. E. L. BOAS,

*Resident Director and General Manager Hamburg-American Line,  
45 Broadway, New York.*

DEAR MR. BOAS: Your wire arrived too late to secure to-day the information you want on Charles Nagel, but I shall do my best to write you fully to-morrow. The inclosed article appeared in the St. Louis Globe-Democrat on January 19.

Yours, very truly,

J. PANNES.

The following is a copy of a newspaper dispatch printed in the St. Louis Globe-Democrat:

NAGEL SLATED FOR CABINET POSITION—SECRETARY OF COMMERCE AND LABOR PORTFOLIO FOR NATIONAL COMMITTEEMAN—HIS NAME ON THE LIST—TAFT PLANS TO KEEP IT THERE, ACCORDING TO RELIABLE REPORT—NO PULLING FOR HIM—ST. LOUISAN'S WORK ATTRACTED ATTENTION OF PRESIDENT-ELECT LONG AGO.

(Special dispatch to the Globe-Democrat.)

WASHINGTON, January 18.

From a source whose reliability can not be brought into question, it was learned to-day that the name of Charles Nagel, of St. Louis, appears at this time on the tentative list of the Cabinet of President-elect Taft. The place opposite the name of Mr. Nagel is that of Secretary of Commerce and Labor.

From the same source comes the story that Mr. Taft, having completed a tentative draft of his Cabinet slate, does not propose to change it before his departure for Panama. He will upon his return take up with Senator Knox, who is to be his Secretary of State, some of the Cabinet places which have not been definitely offered to the men picked out for them. Close up to March 4, when he is to be inaugurated, the President elect will make his final revision in the light of some inquiries which Mr. Knox is to make for him.

WANTED MISSOURI TO HAVE PLACE.

It develops that early in his consideration of his Cabinet the President-elect determined that Missouri should have a place. One of the fond desires of Mr. Taft was to carry Missouri. He felt that there would be a labor defection which would make him suffer in some parts of the country.

Mr. Roosevelt, during the campaign, twitted Mr. Taft repeatedly about carrying Missouri, telling the candidate that he might make a good race (the President was always confident of Mr. Taft's election, and said so to all who asked him), but he never would duplicate his own performance in introducing the "mysterious stranger" into the Republican camp. When the slow returns made it apparent that Taft had carried Missouri there was a rapid-fire exchange of pleasantries between the two.

HEARD GOOD ABOUT NAGEL.

Mr. Nagel was brought to the favorable attention of Mr. Taft during the administration of Mr. Roosevelt. Mr. Taft was several times the guest of Mr. Nagel. Mr. Taft often heard eulogistic references to Mr. Nagel from Mr. Roosevelt. While the national campaign was on, the best of reports came from Chicago as to the intelligent advice which Mr. Nagel was able to give to the campaign managers. Not only was he referred to in many steps taken in the Middle West, but he had a controlling voice, so it was said, in many of the general policies adopted in the national campaign.

It was also asserted to-day that no member of the Taft Cabinet will come into his place with less of wiring pulling and solicitation in his behalf. It is said that after a dignified presentation of Mr. Nagel's name from the right quarters no campaign was carried on in his behalf, and that the only further representations made were at the solicitation of Mr. Taft, who sought additional information.

ONLY ONE ADVERSE REPORT.

The only adverse movement in connection with Mr. Nagel's name was that which involved bringing the President-elect's attention to the fact that Mr. Nagel's law firm had as clients a big brewery concern, and also, at one time, the Standard Oil Co. This information was conveyed to Mr. Taft by one of his senatorial friends with whom he went over his tentative Cabinet list. Recently the President-elect has fully informed himself as to the reports. After weighing them carefully, he is said to have fully determined that Mr. Nagel's high personal character and the character of his law service has been such as in no way to disqualify him for the service which Mr. Taft seeks at his hands.

Although Mr. Nagel's name has been frequently associated with the place of Secretary of the Interior, it is said that place will go to R. A. Ballinger, of the State of Washington.

## TREASURY PORTFOLIO UNFILLED.

AUGUSTA, GA., January 18.

That the President-elect has not determined who is to be his Secretary of the Treasury is indicated by the circumstance that he to-day had a conversation with J. Shaffer, president of the Chicago Post, regarding the qualifications of the several Chicagoans whose appointment has been urged by Schaffer, who came here at the special request of the President-elect for this conference. He says Mr. Taft is giving careful attention to the Treasury portfolio, and that he may not decide the matter until immediately before his inauguration.

Walter S. Dickey, Republican State chairman of Missouri, will talk politics with Mr. Taft to-morrow.

The following letter is upon the official letterhead of the Hamburg-American Line, and discloses the campaign to make Mr. Charles Nagel Secretary of Commerce and Labor of President Taft's Cabinet:

H. A.  
P.  
A. G.

HAMBURG-AMERICAN LINE,  
902 Olive Street, St. Louis, January 21, 1909.

Mr. E. L. Boas,  
*Resident Director and General Manager Hamburg-American Line,*  
45 Broadway, New York.

DEAR MR. BOAS: The inclosed abstract from the Book of St. Louisans contains condensed information on Mr. Nagel's professional and political career, also of the career of his former partner, Judge Finkelburg.

Mr. Nagel is an intimate friend of Mr. Adolphus Busch and is attorney for the Anheuser-Busch Brewing Association.

I am now waiting for additional information from Mr. Joseph A. Wright, an attorney, with whom I am very well acquainted and on whose discretion I can rely absolutely.

Information secured from other sources is too general in its nature and, I suppose, of no use to you. I refer to the general statements that he is highly respected, upright, a conservative, etc.

The inclosed clipping is from to-day's Globe-Democrat.

I hope to have other particulars to-morrow morning in time for the mail, which reaches New York on Saturday afternoon.

Yours, very truly,

J. PANNES.

NAGEL QUILTS PIERCE CASE—FILES FORMAL NOTICE OF WITHDRAWAL IN MISSOURI SUPREME COURT—HIS CONNECTION WITH SUIT—ACTION IS NO SURPRISE, BUT MAY HAVE BEEN HASTENED BY TALK OF A CABINET OFFICER.

(Special dispatch to the Globe-Democrat.)

JEFFERSON CITY, Mo., January 20.

Charles Nagel, of the firm of Nagel & Kirby, of St. Louis, who is said to be on the Taft Cabinet slate for Secretary of the Department of Labor, to-day filed with the clerk of the Supreme Court of Missouri formal notice of the withdrawal of his firm as associate counsel for the Waters-Pierce Oil Co., which in the ouster suits was shown to be largely owned by the Standard Oil Co. The notice of withdrawal was sent by mail.

When Gov. Hadley, then attorney general, filed his oil suits to oust the Standard Oil and Republic Oil Cos. from the State and to revoke the charter of the Waters-Pierce Co., the latter a Missouri corporation, Charles Nagel was to have been general counsel for the Waters-Pierce Co. His outlined policy of defense did not suit Mr. H. Clay Pierce, president of the board of directors of the company, and Judge John D. Johnson was made general counsel and Judge Sam Priest his associate. Nagel was retained in a minor capacity and took little part in the hearing of the oil cases before Commissioner Anthony. About his only connection with the case was in consultation and in making a final argument of about an hour before the commissioner in St. Louis when the case was submitted on the testimony.

Although Mr. Nagel stated some time ago that he meant to withdraw from the case, the fact that President-elect Taft has slated him for a Cabinet pos-

tion as a reward for his good work for Republicanism in Missouri while serving as national committeeman may have hastened his action.

Here is a biographical writeup of Mr. Charles Nagel:

(From Book of St. Louisans, published by the St. Louis Republic, 1906. Data for biographical sketches furnished by the parties themselves.)

NAGEL, CHARLES, lawyer, born in Colorado County, Tex., August 9, 1849; son of Dr. Herman and Fredericka Nagel; educated in country school in Colorado County, Tex.; academic course in private school and high school, St. Louis, two years' course in St. Louis Law School, and one year in University of Berlin, where studied Roman law, political economy, etc.; married, first, Louisville, Ky., 1876, Fannie Brandeis; one child, Hildegard, living; married, second, St. Louis, 1895, Anne Schepley, four children, Mary S., Edith, Charles, and Anne Dorothe. Returned to St. Louis after studying abroad in 1873, and engaged in practice; associated at different times with various partners, and January 1, 1903, became partner in firm of Finkelnburg, Nagel & Kirby, which changed, on the withdrawal of Judge Finkelnburg, June, 1905, to Nagel & Kirby. Since 1875 has been professor at St. Louis Law School. Has been a member of the board of trustees, public library, trustee Washington University; member of board of control of St. Louis Museum of Fine Arts; member St. Louis Turner Society, Republican. Member Missouri House of Representatives, 1881-82. President city council, St. Louis, 1893-1897. Clubs: St. Louis, University, Commercial, Mercantile, Round Table, Noonday. Office: 700 Security Building. Residence: 3726 Washington Boulevard.

FINKELNBURG, GUSTAVUS ADOLPHUS, lawyer, born near Cologne, Prussia, April 6, 1837; educated in Germany and St. Charles, Mo.; attended St. Charles College, Missouri, and graduated Cincinnati Law College; married, first Emma Rombauer; married, second, Ida M. Jorgensen. Admitted to Missouri bar 1860. Member Missouri Legislature 1864-1868. Member of Congress 1868-1872; Republican nominee for governor of Missouri 1876, defeated; same for supreme judge 1898, defeated; appointed district judge May 20, 1905. Member American Bar Association. Republican. Author. Practice in the supreme court and the courts of appeal in Missouri, 1894. Wrote article on the power of the State to regulate prices and charges, American Law Review, July, 1898. Clubs: Mercantile, University. Office: Room 320 Custom House. Residence: 4312 Westminster Place.

The following is another letter on the official letterhead of the Hamburg-American Line, which is self-explanatory:

H. A.  
P.  
A. G.

HAMBURG-AMERICAN LINE,  
902 Olive Street, St. Louis, Mo., January 23, 1909.

MR. EMIL L. BOAS,  
*Resident Director and General Manager Hamburg-American Line,*  
45 Broadway, New York City.

DEAR MR. BOAS: Mr. Wright could not let me know until to-day the result of his inquiries about Mr. Nagel. Mr. Wright says that in the opinion of Mr. Nagel's intimate friends he is well fitted for the post and not likely to favor legislation restricting immigration, since Missouri and the Southwest are in great need of immigrants.

This and the information already sent you is all I can secure at present. If you wish me to try for more definite information, I shall do my best to find out more.

Yours, very truly,

J. PANNES.

Here is a most illuminating and interesting letter from Mr. Behar, managing director of the National Liberal Immigration League, to Mr. Emil L. Boas, resident director of the Hamburg-American line:

JANUARY 24, 1908.

MR. EMIL L. BOAS,  
*Resident Director Hamburg-American Line,*  
35 Broadway, New York.

DEAR SIR: The league has so far succeeded in checking the efforts of the restrictionists, but the foes of immigration are the kind of people whose energy

is increased by opposition, and whose earnestness and enthusiasm grow by defeat. The Junior Order tents have multiplied in Pennsylvania and in other parts of the country, and the delegates of the Immigration Restriction League and of other restrictive organizations are agitating everywhere.

We have sent to Washington a number of delegations composed of members of various nationalities, but the delegates were not really chosen by bodies of their own nationality. If we are to continue the campaign successfully we must penetrate into the masses and interest them to send delegations and instruct Congress that they are opposed to further restriction of immigration.

Our agitation should be carried on in the following ways:

First. Through mass meetings organized in all important centers—voting resolutions.

Second. Through delegations to Congress and to all important conventions.

Third. Through public lectures and through special delegates visiting men's and women's clubs throughout the country.

Fourth. Through delegates visiting the societies of various nationalities, as Italians, Hebrews, Hungarians, etc., including the unions, for the purpose of advocating liberal immigration.

Fifth. Through literature. The league ought to continue to send pamphlets and other publications to the Members of Congress and other notable citizens and to the public in general.

Sixth. Through correspondence. We have to send appeals and communications to some 15,000 influential persons, most of them clergymen.

In order to prove effective, the propaganda must be carried on steadily all the year round. It would require vast financial resources to cover adequately all the above-enumerated points. However, if we had a definite sum of money to spend annually, we could arrange a plan for a systematic campaign, selecting the most important means of agitation. The formulation of such a plan is obviously impossible when we have no idea to what amount we may commit ourselves. We therefore suggest that a regular subvention would greatly enhance the value of our activity.

Hoping you will take this matter into consideration for the present year, I remain,

Sincerely, yours,

\_\_\_\_\_  
Managing Director.

The following is a circular letter sent out by the National Liberal Immigration League, of which Mr. Edward Lauterbach at the time was president:

(Edward Lauterbach, president. S. M. Newman, first vice president. Wm. D. Eckert, second vice president. Frank Y. Anderson, third vice president. J. B. Young, fourth vice president. Antonio Zucca, treasurer. N. Behar, managing director. Mark J. Katz, John E. O'Brien, secretaries.

Advisory committee: William S. Bennett, Benjamin F. Buck, David James Burrell, Frank S. Gannon, Louis N. Hammerling, J. J. B. Johnsonius, Herman C. Kudlich, Louis Edward Levy, R. D. Sillman, Thomas R. Slicer, Benjamin F. Tracy, Gallus Thomann.)

#### NATIONAL LIBERAL IMMIGRATION LEAGUE.

(For the proper regulation and better distribution of immigration.)

Headquarters, No. 150 Nassau Street, New York City. Telephone, 4762 Beekman. P. O. box, 1261.

GENTLEMEN: Since 1906 this league has kept America's door open to deserving immigrants. Without it, as Members of Congress and others have repeatedly asserted, laws would have been enacted to shut out yearly hundreds of thousands of immigrants, whose labor is so much needed for our great industries.

In addition this league has constantly advocated remedial legislation, such as Federal distribution of immigrants, deportation of criminals, and other measures that would take away the evils of immigration while preserving its great blessings.

We also do educational work by distributing our literature among libraries and debating societies, from whom we receive daily requests for pamphlets. In this way we are building up a public opinion in favor of liberal immigration among future citizens.

# INDUSTRIAL CONTROL AND PHILANTHROPIC FOUNDATIONS. 7757

Our league had fully carried its claims for support from all public-spirited citizens, and especially those who are connected with industries whose existence is made possible by the influx of alien unskilled labor that can not be replaced by the native element. In default of such support we will not be able to keep up our work, and the Immigration Restriction League, of Boston, will have the field to itself.

Mr. B. A. Sekely, our field representative, will call on you, and we bespeak your kind consideration on his behalf.

Yours, very truly,

EL-NCM.

\_\_\_\_\_  
President.

No contract binding upon this league unless countersigned by the managing director. No person is authorized to use the name of the league otherwise than in connection with its corporate activity.

The following are financial statements of the National Liberal Immigration League showing moneys which they received from some of the corporations:

## NATIONAL LIBERAL IMMIGRATION LEAGUE, New York, April 10, 1907.

### STATEMENT.

Dr.	Amount brought forward from statement of Nov. 9, 1906	\$411. 60	
	To expenditures from Nov. 9, 1906, to Apr. 10, 1907, as per detailed account herewith	14, 913. 71	\$15, 325. 31
Cr.	By cash received	15, 000. 00	
	By donations received	48. 50	
	By membership dues received	36. 00	15, 082. 50
	Balance due		232. 81
	Liabilities		2, 071. 15
			2, 303. 96

## NATIONAL LIBERAL IMMIGRATION LEAGUE, New York, January 1, 1908.

### STATEMENT.

Dr.	To expenditures from Apr. 8, 1907, to Dec. 31, 1907, as per detailed account herewith	\$6, 642. 92	
Cr.	By cash received:		
	On Apr. 23, 1907	\$500. 00	
	On May 6, 1907	500. 00	
	On May 13, 1907	225. 00	
	On June 4, 1907	500. 00	
	On July 3, 1907	500. 00	
	On Aug. 5, 1907	500. 00	
	On Sept. 4, 1907	500. 00	
	On Oct. 3, 1907	500. 00	
	On Nov. 4, 1907	1, 500. 00	
	On Dec. 17, 1907	500. 00	\$5, 725. 00
	By subscriptions to league, Apr. 8 to Dec. 31	17. 00	
	By donations to league, Apr. 8 to Dec. 31	82. 00	
	By subscriptions to Federation Review, Apr. 8 to Dec. 31	42. 00	
	By advertisements in Federation Review, Apr. 8 to Dec. 31	31. 00	5, 897. 00
	Balance due		745. 92



# 7758 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

## NATIONAL LIBERAL IMMIGRATION LEAGUE, New York, February 1, 1908. STATEMENT.

Dr.	To balance as per last statement	\$745. 92	
	To expenditures from Jan. 1 to Jan. 31, 1908, as per detailed account herewith	932. 46	\$1, 678. 38
Cr.	By cash received, Jan. 8, 1908	1, 500. 00	
	By subscriptions to league, Jan. 1 to 31, 1908	3. 00	
	By donations to league, Jan. 1 to 31, 1908	14. 00	
	By subscriptions to Federation Review, Jan. 1 to 31, 1908	. 50	1, 517. 50
	Balance due		160. 88

## NATIONAL LIBERAL IMMIGRATION LEAGUE, New York, March 1, 1908. STATEMENT.

Dr.	To balance as per last statement	\$160. 88	
	To expenditures from Feb. 1 to Feb. 29, 1908, as per detailed account herewith	1, 111. 08	\$1, 271. 90
Cr.	By cash received, Feb. 6, 1908	1, 000. 00	
	By subscriptions and donations, Feb. 1 to 29	28. 38	
	By advertisement in Federation Review	2. 50	1, 028. 88
	Balance due		243. 08
Liabilities:	To William Siegrist, printer	569. 08	
	To H. Berlin, for arrears in salary	100. 00	
	To H. S. Ely & Co., March rent	52. 50	721. 56
	Deficit		964. 64

## NATIONAL LIBERAL IMMIGRATION LEAGUE, New York, April 1, 1908. STATEMENT.

Dr.	To balance as per last statement	\$243. 08	
	To expenditures from Mar. 1 to Mar. 31, 1908, as per detailed account herewith	1, 309. 70	\$1, 552. 78
Cr.	By cash received, Mar. 2, 1908	1, 250. 00	
	By subscription and donations, Mar. 1 to 31	2. 00	
	By advertisements in Federation Review	5. 00	1, 257. 00
	Balance due		295. 78
Liabilities:	To William Siegrist, printer	382. 46	
	To H. Berlin, for arrears in salary	100. 00	
	To Law Reporting Co., for reporting league meeting	45. 00	
	To H. S. Ely & Co., April rent	52. 50	579. 96
	Deficit		875. 74

## NATIONAL LIBERAL IMMIGRATION LEAGUE, New York, July 1, 1908.

## INDUSTRIAL CONTROL AND PHILANTHROPIC FOUNDATIONS. 7759

## STATEMENT.

Dr.

To balance as per last statement-----	\$295. 78	
To expenditures from Apr. 1 to June 30, as per detailed account herewith-----	4, 492. 58	
		\$4, 788. 36

Cr.

By cash received, Apr. 1-----	1, 250. 00	
By cash received, May 1-----	2, 500. 00	
By cash received, June 1-----	1, 250. 00	
By subscriptions and donations to league, April-----	13. 50	
By subscriptions and donations to league, May-----	80. 80	
By subscriptions and donations to league, June-----	2. 00	
By subscriptions and advertisements, Federation Review, April-----	1. 50	
By subscriptions and advertisements, Federation Review, May-----	13. 50	
By subscriptions and advertisements, Federation Review, June-----	12. 00	
		5, 123. 30
Balance on hand -----		334. 94



---

---

# **FURTHER PROCEEDINGS RELATING TO COLORADO STRIKE, LARGE FOUNDA- TIONS, AND INDUSTRIAL CONTROL**

---

**(For exhibits under this subject, see Vol. IX, pages 8378 to 8480)**

---

---



## COMMISSION ON INDUSTRIAL RELATIONS.

NEW YORK CITY, *January 25, 1915—10 a. m.*

Present: Chairman Walsh, Commissioners O'Connell; Lennon, Harriman, Ballard, Weinstock, Garretson, and Commons.

Chairman WALSH. Will the house please be in order, and will the audience kindly maintain as perfect order as possible?

Mr. Rockefeller.

### TESTIMONY OF MR. JOHN D. ROCKEFELLER, JR.

Chairman WALSH. Will you please state your name?

Mr. ROCKEFELLER, Jr. John D. Rockefeller, jr.

Chairman WALSH. And where do you reside, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. 10 West Fifty-fourth Street.

Chairman WALSH. New York City?

Mr. ROCKEFELLER, Jr. New York City.

Chairman WALSH. What is your business, please?

Mr. ROCKEFELLER, Jr. That is rather difficult to describe, Mr. Chairman. I spend a large part of my time in directing, with others, the various foundations which my father has established and in giving time to questions of investment.

Chairman WALSH. Now, Mr. Rockefeller, the commission has received the document entitled "Information Furnished by the Rockefeller Foundation in Response to Questionnaires Submitted by United States Commission on Industrial Relations." We thank you for this. Each member of the commission has been furnished one, and one has been furnished to the record, so that it is made already a part of the record of the commission.

Mr. ROCKEFELLER, Jr. Thank you. I was going to ask that that might be done, so as to make the record complete. I appreciate that.

(The document referred to by title above is printed at the end of this subject as "Rockefeller, jr., Exhibit No. 1.")

Chairman WALSH. For the present I will touch upon some general topics.

Mr. ROCKEFELLER, Jr. Mr. Chairman, may I say just a word?

Chairman WALSH. Yes; certainly.

Mr. ROCKEFELLER, Jr. The commission has been so courteous as to send me several weeks in advance the general questions which it proposed to take up at this session. I greatly appreciated that courtesy. It has given me an opportunity to consider very carefully the important matters to which the questions refer, and I have thought that it might best suit the purposes of the commission if I were to present a somewhat careful consecutive statement, which I have prepared in writing, and with your permission, Mr. Chairman, I should be glad to be allowed to read that statement at this time.

Chairman WALSH. Very good. Just proceed, Mr. Rockefeller.

(Mr. Rockefeller, jr., read as follows:)

NEW YORK, *January 25.*

The commission has asked my views as to what extent the stockholders and directors of a corporation are responsible for the labor conditions which exist in it and for the social conditions which are produced; how generally and in what manner such responsibilities are assumed by stockholders and directors; and in actual practice how and upon what general basis the labor policies of large corporations are determined.

The responsibility of stockholders is practically limited to the elections of directors. They have no power to elect officers, to employ labor, to make contracts, or to intervene directly in the management of the business. A large stockholder, however, is able to exercise considerable moral influence over the directors and officers and is responsible for exercising that influence properly.

The directors are responsible for the general conduct of the business; they have the power to elect officers and to determine the policies of the business. All large business has to be organized. The responsibility has to be divided and vested in various officers, and the officers have to be given powers commensurate with their responsibilities. These responsibilities are, in general, divided in such a way that the directors attend principally to the financial affairs of the corporation, leaving the actual conduct of operations to the officers.

Labor conditions, so far as they are within the control of a corporation, are matters for which the officers of the corporation are primarily responsible and with which they, by reason of their experience and their first-hand acquaintance with the facts, are best qualified to deal.

Labor policies are initiated and determined by the officers, whose efficiency is largely measured by the harmony and good will which they are able to maintain between the company and its employees. It is not customary to submit labor policies to a board of directors for action. Conference regarding them is often had with the directors or executive committee at the instance of the officers, and suggestions are made to the latter by both these bodies. A business to be successful must not only provide to labor remunerative employment under proper working conditions, but it must also render useful service to the community and earn a fair return on the money invested. The adoption of any policy toward labor, however favorable it may seem, which results in the bankruptcy of the corporation and the discontinuance of its work is as injurious to labor, which is thrown out of employment, as it is to the public, which loses the services of the enterprise, and to the stockholders, whose capital is impaired.

Social conditions surrounding an industry depend upon many factors other than labor conditions. The responsibility of a corporation located in a thickly settled and highly organized community depends upon the relative importance of the corporation to the other factors in the community. Where the activities of a corporation are carried on in new and undeveloped sections of the country social conditions are largely influenced by the attitude of the corporation and its officers, and the corporation is required to provide for many things which in a more settled community would be taken care of by the community as a whole.

Since these questions have a special significance, in so far as I am concerned, because of events in Colorado, I feel that I owe it to the commission to make a statement in reference thereto which will help to further answer the questions asked.

Anyone who has followed the controversy which has arisen out of the Colorado situation will have observed that no effort has been spared to make it appear that I have attempted to exercise a kind of absolutism over the coal industry in Colorado, and particularly that I have sought to dictate a policy of non-recognition of unions. An attitude toward industry and toward labor such as is here implied is so abhorrent to me personally and so contrary to the spirit of my whole purpose and training that I can not allow these allegations to pass unnoticed without at least outlining my responsibilities as I have viewed them and my obligations as I have sought to discharge them. While it has been said that I have exercised an absolute authority in dictating to the management of the Colorado Fuel & Iron Co., it has also been said that I have been too indifferent, and that as a director I should have exercised more authority. Clearly, both can not be true.

What are the facts? First, with reference to my attitude toward labor unions: I believe it to be just as proper and advantageous for labor to associate itself into organized groups for the advancement of its legitimate interests as for capital to combine for the same object. Such associations of labor manifest themselves in promoting collective bargaining in an effort to secure better working and living conditions, in providing machinery whereby grievances may easily and without prejudice to the individual be taken up with the management. Sometimes they provide benefit features, sometimes they seek to increase wages, but, whatever their specific purpose, so long as it is to promote the well-being of the employees, having always due regard for the just interests of the employer and the public, leaving every worker free to associate himself with such groups or to work independently, as he may choose, I favor them most heartily. Combinations of capital are sometimes conducted in an unworthy manner, contrary to law, and in disregard of the interest both of labor and the public. Such combinations can not be too strongly condemned nor too vigorously dealt with. Although combinations of this kind are the exception, such publicity is generally given to their unsocial acts that all combinations of capital, however rightly

managed or broadly beneficent, are thereby brought under suspicion. Likewise it sometimes happens that combinations of labor are conducted without just regard for the rights of the employer or the public, and methods and practices are adopted which, because unworthy or unlawful, are deserving of public censure. Such organizations of labor bring discredit and suspicion upon other organizations which are legitimate and useful, just as is the case with improper combinations of capital, and they should be similarly dealt with. I should be the last, however, to allow the occasional failure in the working of the principle of the organization of labor to prejudice me against the principle itself, for in that principle I strongly believe. In the further development of the organization of labor and of large business the public interest, as well as the interest of labor and capital alike, will, it seems to me, be best advanced by whatever stimulates every man to do the best work of which he is capable; by a fuller recognition of the common interest of employers and employed; and by an earnest effort to dispel distrust and hatred and to promote good will.

As respects the question of the recognition or nonrecognition of labor unions in Colorado, my attitude has been in conformity with the views I have expressed relative to the responsibilities of stockholders, directors, and managers. The hiring and discharging of men and the framing of agreements as respects the same are functions which I have regarded as rightfully belonging to the management and not to the stockholders or directors. The Colorado Fuel & Iron Co. has been managed on this principle. The decision of the officers with respect to the recognition of the union was reached without any consultation or communication with me, and I had no knowledge of their decision until after the strike had been declared.

The correspondence between myself and the officers of the Colorado Fuel & Iron Co. during the strike has been produced before this commission and is now public. If one thing more than another is shown by the letters exchanged, it is that, as respects conditions of employment and the interest of the company's employees, I have sought to inform myself and have not hesitated to make suggestions looking toward more adequate representation on the part of the employees and participation by them in the determining of matters pertaining to their working conditions. It is not less apparent, however, that I have studiously avoided anything that might afford ground, either to the employees, the management, or the public, for the belief that in any particular I was seeking to dictate a policy or to arbitrarily control any situation. The only coal property in Colorado in which we are in any way interested is the Colorado Fuel & Iron Co. In addition to this company, there are many other coal mining companies in that State, in none of which either we or the Colorado Fuel & Iron Co. have any interest whatsoever, and a large number of these companies were involved in the strike. For me to have attempted to dictate a policy or control the situation would have meant an assumption of authority far beyond what the investment which I represent in the Colorado Fuel & Iron Co. would have justified, and, if tolerated by the management of that company, would have been resented by the other companies involved in the dispute.

Since we first acquired an interest in the Colorado Fuel & Iron Co. in 1902, the company has paid out in wages to its employees over \$92,000,000. During the same period we have received dividends amounting to \$371,000 on our investment in the company's capital stock. Therefore our stock interest in the Colorado Fuel & Iron Co. has yielded a return of about two-thirds of 1 per cent per annum on an actual cash investment of about \$6,000,000. It should be stated that we hold, in addition to the stocks above mentioned, a block of bonds, but that our entire investment in the stocks and bonds of the Colorado Fuel & Iron Co. has yielded during a period of twelve years not more than  $3\frac{1}{2}$  per cent per annum. Yet during that time, instead of exploiting the industry, as has been frequently stated, we have supported a policy of development by devoting surplus earnings to improvements, thereby increasing employment, and generally extending the business, rather than paying dividends.

In testifying last year before the congressional committee which investigated the Colorado strike, Mr. James Dalrymple, coal mine inspector of the State of Colorado, said:

"I believe it fair to give credit to those operators who have cooperated with this department in making improvements recommended beyond the requirements of the present mining law. In acknowledging the concessions made by them, it must be further added that there is no authority embodied in the law by which these conceded improvements could have been enforced, no matter how



essential they were to protect the life and health of the employees. The Colorado Fuel & Iron Co. ranks first in making improvements not compulsory or demanded by the law; it complied cheerfully with most of our recommendations."

Doubtless mistakes have been made and conditions are still imperfect. I have no desire to defend any conditions that are justly subject to criticism; I only ask that the responsibility for them be apportioned fairly. The problem now is for all concerned to develop increasing good will and to improve conditions as far as may be possible. To that end my thoughts and activities have for some time been devoted.

As to the strike itself, its many distressing features have given me the deepest concern. I frankly confess that I felt there was something fundamentally wrong in a condition of affairs which rendered possible the loss of human lives, engendered hatred and bitterness, and brought suffering and privation upon hundreds of human beings. Without seeking to apportion blame, I determined that in so far as lay within my power I would seek means of avoiding the possibility of similar conflicts arising elsewhere, or in the same industry in the future. It was in this way that I came to recommend to my colleagues in the Rockefeller Foundation the instituting of a series of studies into the fundamental problems arising out of industrial relations, which resulted in securing the services of Mr. Mackenzie King, former minister of labor of Canada, to direct the studies.

The correspondence will show that, in addition to having taken steps as early as the beginning of June last, to secure Mr. King's services, I also sought and obtained advice with respect to machinery for the prevention and adjustment of industrial differences, to which I invited the consideration of the officers of the Colorado Fuel & Iron Co. In early August I wrote the president of the company, forwarding, with my indorsement, a letter from Mr. King, written in answer to my request, outlining a plan previously discussed to establish—

"A board on which both employers and employees are represented, and before which, at stated intervals, questions affecting conditions of employment can be discussed and grievances examined."

In reply to this communication the president of the company indicated that measures of the kind I had suggested were in contemplation, but that their adoption while the strike was on would only serve to embarrass their successful introduction. He further indicated that, when the strike was terminated, steps would be taken immediately to secure to the employees of the company a more direct representation of their views as regards grievances and conditions affecting their employment.

The strike was called off December 10, 1914. On December 16 Mr. David Griffiths, formerly State coal-mine inspector of Colorado, was appointed an intermediary between the company and its employees respecting matters of mutual interest.

On January 5 a notice was posted at all the company's mines inviting the employees at each of the mines to assemble in mass meeting to select by ballot one representative to every 250 employees in each camp, to represent the men at a joint meeting of themselves and the executive officers of the company in Denver "for the purpose of discussing matters of mutual concern and of considering means of more effective cooperation in maintaining fair and friendly relations."

In the published notice of these meetings it was stipulated that in order that the men might feel the greatest freedom in making their selection they should choose their own chairman and neither superintendents nor pit bosses should attend.

The notice added: "The person selected to attend the Denver conference shall be the duly accredited representative of the employees, not only at the first joint meeting, but at all subsequent joint meetings and in all matters of cooperation between the company and its employees until the employees in like meeting shall designate some other person to represent them. It is therefore highly important that the employees choose with the utmost care the one of their number in whom they have most confidence."

I have received from the president of the company a telegram informing me that this joint conference was held at Denver on the 19th instant, that the meeting had proved most satisfactory to all concerned, and that its spirit had convinced the management that it would lead to more active cooperation between the company and its employees in the future.

Thus it will be seen that the company has already taken steps to initiate a plan of representation of its employees. It is my hope and belief that from this will develop some permanent machinery which will insure to the employees of the company, through representatives of their own selection, quick and easy access to the officers with reference to any grievances, real or assumed, or with reference to wages or other conditions of employment.

In the improvement of industrial conditions in the State of Colorado, which all hope for, I am sure that the friendly cooperation of the commission of which Mr. Seth Low is chairman, recently appointed by the President of the United States, will be of assistance to all the mining companies of the State. Shortly after this commission was appointed and following conferences had at his invitation I wrote Mr. Low on December 30, asking him to assure the President of my desire and purpose to cooperate with the commission which he had appointed.

In conclusion, Mr. Chairman, quite apart from any particular situation, may I express in utter frankness the views which as an individual and a citizen I hold toward the problems into which your commission has been appointed to inquire? I believe that the ultimate object of all activities in a republic should be the development of the manhood of its citizens, that such manhood can be developed to the fullest degree only under conditions of freedom for the individual, and that industrial enterprises can and should be conducted in accordance with these principles. I believe that a prime consideration in the carrying on of industry should be the well-being of the men and women engaged in it, and that the soundest industrial policy is that which has constantly in mind the welfare of the employees as well as the making of profits, and which, when the necessity arises, subordinates profits to welfare. In order to live, the wage earner must sell his labor from day to day. Unless he can do this, the earnings from that day's labor are gone forever. Capital can defer its returns temporarily in the expectation of future profits, but labor can not. If, therefore, fair wages and reasonable living conditions can not otherwise be provided, dividends must be deferred or the industry abandoned. I believe that a corporation should be deemed to consist of its stockholders, directors, officers, and employees; that the real interests of all are one, and that neither labor nor capital can permanently prosper unless the just rights of both are conserved.

I further believe that, in matters pertaining to industrial relations, the public, quite as much as the parties engaged in industry, is entitled to confidence and consideration. Industrial relations are essentially human relations, and human relations should be not less the concern of the State as a whole than of individuals engaged in industry. My appreciation of the conditions surrounding wage earners and my sympathy with every endeavor to better these conditions are as strong as those of any man. I believe it to be the duty of every citizen to do all within his power to improve the conditions under which men work and live. I believe that that man renders the greatest social service who so cooperates in the organization of industry as to afford to the largest number of men the greatest opportunity for self-development, and the enjoyment by every man of those benefits which his own work adds to the wealth of civilization. If, with the responsibilities I have and the opportunities given me, I am able to contribute toward promoting the well-being of my fellow men through the lessening of injustice and the alleviation of human suffering, I shall feel that it has been possible to realize the highest purpose of my life.

Chairman WALSH. Have you made more than one copy of the paper which you have just read?

Mr. ROCKEFELLER, Jr. I have, Mr. Chairman.

Chairman WALSH. Has it been printed?

Mr. ROCKEFELLER, Jr. It has not been published, but it has been given to these gentlemen [indicating newspaper men].

Chairman WALSH. It was given to the press?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Would you now kindly furnish a copy for each member of the commission?

Mr. ROCKEFELLER, Jr. I think we have them here [handing a number of copies to the chairman]. If that is not sufficient I should be glad to furnish others, Mr. Chairman.

Chairman WALSH. The house will be in perfect order, because we are going to proceed immediately with the balance of the examination. Please maintain perfect order. In what corporations are you personally a director, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. The Manhattan Railway Co., the Merchants' Fire Association, and the Colorado Fuel & Iron Co.

Chairman WALSH. Any others?

Mr. ROCKEFELLER, Jr. No others.

Chairman WALSH. Have you ever been a director in the Delaware, Lackawanna & Western Railway?

Mr. ROCKEFELLER, Jr. I have.

Chairman WALSH. You are retired from that, are you?

Mr. ROCKEFELLER, Jr. I retired from that within the last six months.

Chairman WALSH. And the American Linseed Co.?

Mr. ROCKEFELLER, Jr. I have.

Chairman WALSH. Retired from that also?

Mr. ROCKEFELLER, Jr. Retired from that also.

Chairman WALSH. In what other corporations do you own or represent any considerable amount of stock or bonds?

Mr. ROCKEFELLER, Jr. That, Mr. Chairman, would be very difficult to answer offhand. I might secure for you such information, but I have not it in mind.

Chairman WALSH. Could you mention the principal ones in which you represent any considerable amount of stock and bonds, and I use the words "principal ones" in point of amount as well as employment of workers?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I represent certain investments on behalf of my father with his other associates. I also represent certain investments on behalf of the several foundations with which I am connected. As you will understand from the list which was printed in one of the questionnaires that was submitted by the commission, the list even of the holdings of the Rockefeller Foundation is very considerable. The other foundations have large holdings. My father's interests are also in addition. It will be very difficult to point out in a direct answer to your question. Can't it be taken possibly from this list of securities published in the questionnaire?

Chairman WALSH. Well, my question was, leaving that for the present, whether or not you could name here now the larger interests in which you represent any considerable amount of stock—perhaps the basic industries—steel, lumber, oil, transportation?

Mr. ROCKEFELLER, Jr. Of course, the railroad securities, Mr. Chairman, as you observe from examining this schedule submitted, are very numerous. There are also a number of oil securities. There is no timber, that I recall, in this list. I have forgotten the other heading you mentioned.

Chairman WALSH. Mines.

Mr. ROCKEFELLER, Jr. I think there—I do not recall at the moment any mining interests at all in this list; but the lists are rather long, and I do not try to keep them fresh in my mind—the various items of investment.

Chairman WALSH. The list you refer to now is the list submitted in answer to the written questionnaire given to the record in which the foundation itself holds securities?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. I am leaving the foundation for the moment and just applying it to the other securities, for instance—but, before I leave that, you say there are no mines represented, so far as you recall, in the list submitted—that is, in the foundation list of securities?

Mr. ROCKEFELLER, Jr. I do not recall any; but I do not keep that list entirely in mind.

Chairman WALSH. What is the Colorado Industrial Co.?

Mr. ROCKEFELLER, Jr. I can only say, generally, it is one of the companies included in the Colorado Fuel & Iron Co.

Chairman WALSH. Is it a holding company that holds stock in the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I can not tell you that Mr. Chairman. My recollection is not clear on that.

Chairman WALSH. I notice there is a contribution from that source—the Colorado Industrial Co. Will you kindly at the noon recess ascertain, if possible, at your office what that company represents?

Mr. ROCKEFELLER, Jr. I shall be glad to do so.

Chairman WALSH. Of what does the property of that company consist—the Colorado Industrial Co.?

Mr. ROCKEFELLER, Jr. Doubtless the annual report of the Colorado Fuel & Iron Co. would cover that question.

Chairman WALSH. Well, you may obtain it from there or any other place that you see fit.

Mr. ROCKEFELLER, Jr. The Colorado Industrial Co.?

Chairman WALSH. Yes. Are you familiar with the corporation known as the Colorado Supply Co.?

Mr. ROCKEFELLER, Jr. I know that is one of the corporations which is owned by the Colorado Fuel & Iron Co. That is my understanding.

Chairman WALSH. And will you kindly see whether or not the stock of the Colorado Supply Co. is held or controlled in any way by the Colorado Industrial Co.—unless you can say it offhand?

Mr. ROCKEFELLER, Jr. No, I could not, offhand. Is the Colorado Supply Co.'s stock controlled by the Colorado Industrial Co.? Is that it?

Chairman WALSH. Yes. Owned or controlled.

Mr. ROCKEFELLER, Jr. I might say, in general, Mr. Chairman, that the different names and different companies which go to make up the Colorado Fuel & Iron Co. are to some extent the outgrowth of a combination or a bringing together of several smaller companies which took place before we became interested in the company; and my impression is that the Colorado Industrial Co. was a company formed in connection with the reorganization—the financial reorganization—of the Colorado Fuel & Iron Co. in order to supply the mortgage which would cover the entire properties—my recollection would suggest—and make possible the further financing of the company. It was simply a plan—a part of a plan—to put the company on a secure and adequate financial basis. That is my recollection. It has no significance as a separate company. And the Colorado Supply Co. is simply, as I recall it, one of the smaller of several companies which is owned—the stock is owned—either by the Colorado Fuel Co. or the Colorado Industrial Co., and which I do not recall; but it is not significant. I do not know whether that sufficiently covers your inquiry. I can get more specific information.

Chairman WALSH. Well, I will ask you a question or two and see if we can get it here, and not put you to the trouble, if possible, of getting it out for us. Does the Colorado Industrial Co. perform any other function that that you have mentioned?

Mr. ROCKEFELLER, Jr. I couldn't say offhand, but my impression is it does not.

Chairman WALSH. What is the capital stock of the Colorado Industrial Co.?

Mr. ROCKEFELLER, Jr. I couldn't tell you that, sir. You see, even with a list of that size it is impossible for me to keep the figures in mind; and I have to refresh my mind from time to time as these matters come up.

Chairman WALSH. Could you state where the stock of the Colorado Industrial Co. obtained its value?

Mr. ROCKEFELLER, Jr. Mr. Chairman, if I may ask your indulgence a moment—the question of the different companies and the different bonds pertaining generally to the Colorado Fuel & Iron Co. was a question that came up in my examination before the committee of the House—the committee of Congress of the House—last year, and I think I can give you, in just one word, those facts which are here, if you care to have me, stating what the different bonds are.

Chairman WALSH. Well, if you can give that in a very short space, it will be all right. Otherwise I should like to proceed with the examination.

Mr. ROCKEFELLER, Jr. I think I can, Mr. Chairman.

Chairman WALSH. Very good.

Mr. ROCKEFELLER, Jr. This refers to the different mortgages, some six or more in number, but it does not indicate any relation between the two. It shows the funded debt of the Colorado Fuel & Iron Co. general 5 per cent bonds, the Colorado Fuel & Iron Co.'s general mortgage 6 per cent bonds, the Colorado Industrial Co. first mortgage 5 per cent bonds—these are giving the names of the different bonds of the company; the Rocky Mountain Coal & Iron Co. first mortgage 5 per cent bonds; the Grand River Coal & Coke Co. first mortgage 6 per cent bonds; the Pueblo Realty & Trust Co. mortgage 6 per cent bonds. That covers the different mortgages that form a part of the general interest of the Colorado Fuel & Iron Co.

Chairman WALSH. My question was, if you know, where does the stock of the Colorado Industrial Co. obtain its value?

Mr. ROCKEFELLER, Jr. I can not answer that offhand, Mr. Chairman.

Chairman WALSH. Will you kindly get that information for the commission?

Mr. ROCKEFELLER, Jr. Gladly.

Chairman WALSH. And at the same time of what does its property consist. What is the business of the Colorado Supply Co.?

Mr. ROCKEFELLER, Jr. Well, generally I assume to supply or provide the supplies which are necessary in various localities where the mining industry of the company is carried on.

Chairman WALSH. It is the corporation that maintains and operates the supply stores at the various plants of the Colorado Fuel & Iron Co., is it not?

Mr. ROCKEFELLER, Jr. That is as I understand it, Mr. Chairman.

Chairman WALSH. And do you recall its total capital stock?

Mr. ROCKEFELLER, Jr. No; I am sorry I do not.

Chairman WALSH. Will you please explain to the commission as definitely as possible the character of your connection with the corporations in which you are directly interested—excluding the foundations?

Mr. ROCKEFELLER, Jr. You mean, as director, Mr. Chairman?

Chairman WALSH. Yes, sir. That is, I take it you have no direct connection except as director. If you are an executive officer or manager in any other corporation, of course, that would be included; but I am assuming those you have mentioned are the ones in which you are directly interested.

Mr. ROCKEFELLER, Jr. The assumption is entirely correct, Mr. Chairman. My duties in connection with the three companies which I have mentioned are simply the duties of any director, and those I undertook to outline in the paper which I have read. I shall be glad to reread that portion.

Chairman WALSH. If you will kindly and briefly restate it—your particular duties in connection with the corporations in which you are directly interested, other than the foundations?

Mr. ROCKEFELLER, Jr. Of course, the duties of a director, as I conceive them, are the same in any corporation in which any man happens to be a director.

Chairman WALSH. Kindly describe those briefly. Do you meet with some other gentlemen and pass upon reports or what do you do? Just generally give a brief description of what you do in connection with these corporations in which you are particularly interested.

Mr. ROCKEFELLER, Jr. What I particularly do?

Chairman WALSH. Yes; what you do personally.

Mr. ROCKEFELLER, Jr. The fire insurance corporation in which I am a director has its monthly meetings. I attend whenever I find it possible. I talk with the president of the company at his convenience or mine, if either cares to advise with reference to matters which would properly be taken up by a director or a stockholder.

In the Manhattan Railway Co.—that company is a leased company—the elevated railway being leased to the Interborough Co., which operates it; and the directors have only to see that the terms of the lease are complied with. Those meetings, I think, are quarterly. I attend those whenever I can.

As regards the other company, the Colorado Fuel & Iron Co., when we first became interested in that company the directors' meetings were held in New York. The financial condition of the company required careful and prolonged attention. For a number of months we gave almost constant thought—myself and my colleagues, with our counsel—to devising a plan—sound financial plan—which would put the company on a sound financial basis. We had various meetings from time to time of the directors. That was finally accomplished after a number of months of prolonged and careful study. Later the meetings of the directors were discontinued in New York, and since have been held in Denver. According to the by-laws of the company there is an annual directors' meeting which is stated to be held immediately following the annual meeting of stockholders. Monthly directors' meetings are to be held as required. Of course, the eastern directors have not been able to attend those monthly meetings. According to a by-law of the company, when any matters have been passed upon by the western directors without a quorum, or requiring the signature—the ratification of additional directors than those present in the West—by by-law it is made proper for the minute book to be sent to any other directors absent from the meetings, who read the minutes and, if they approve, sign their names thereto. That covers the question.

Chairman WALSH. Will you kindly refer to the portion of the document furnished—the original document furnished to the publication, the press notice issued December 7, 1914? I believe it is indexed here.

Mr. ROCKEFELLER, Jr. Issued by what, Mr. Chairman?

Chairman WALSH. I suppose by one—it is the one that announces the appointment of Mr. Ivy L. Lee by Mr. Jerome D. Greene, on page 82.

Mr. ROCKEFELLER, Jr. Yes, Mr. Chairman.

Chairman WALSH. In what way, briefly, is its publicity furnished to the press, such matters as this?

Mr. ROCKEFELLER, Jr. On behalf of the foundation?

Chairman WALSH. Yes—such as this. I am not saying on whose behalf it is, but here is a communication which reads, "26 Broadway, New York, December 7, 1914," and begins, "Mr. Jerome D. Greene." How was that given out?

Mr. ROCKEFELLER, Jr. Well, that was prepared in our office. Mr. Greene, I think, himself gave it out. Mr. Greene has been, for several years, a member of our personal staff; at the same time he has been filling the position of secretary of the Rockefeller Foundation, which position was created as the foundation was created, after he had come with us. The demands of the position have been rapidly increasing, and it was no longer possible for him to fulfill those demands and carry on his work in connection with our other affairs, and it became desirable, therefore, that he should devote himself exclusively to the work of the foundation as its secretary. He therefore resigned from my father's personal staff and took the position, giving his entire time to it—the position of secretary of the Rockefeller Foundation. We then selected Mr. Ivy Lee to become a member of our personal staff, and his appointment dated from the same date as Mr. Greene's resignation.

Chairman WALSH. The question was, Mr. Rockefeller, who wrote the article?

Mr. ROCKEFELLER, Jr. I think Mr. Greene wrote it. It was a matter that was discussed in our office by my associates and myself as to how most appropriately to advise the public of this change, in justice to both gentlemen, that their positions might be understood.

Chairman WALSH. Now, I notice the statement is made there that Mr. John D. Rockefeller, having retired from active business 15 years or 20 years ago, his staff, of which Mr. Lee becomes a member, are his immediate advisers in matters both of business and philanthropy, and are his direct representatives in the various corporations in which he is financially interested and on the large philanthropic boards which he has created.

Now, I will ask first, would you mention who are the personal staff of Mr. John D. Rockefeller, and will you kindly give me the names of the gentlemen who are upon that staff?

Mr. ROCKEFELLER, Jr. Mr. Starr J. Murphy, Mr. Ivy L. Lee, and myself.

Chairman WALSH. Is Mr. Gates upon that staff?

Mr. ROCKEFELLER, Jr. Mr. Gates was for many years. About two years ago he resigned.

Chairman WALSH. What connection has Mr. Gates with the business interests mentioned here at the present time, if any?

Mr. ROCKEFELLER, Jr. You mean the interests of the foundation?

Chairman WALSH. No, sir; just the purely business interests.

Mr. ROCKEFELLER, Jr. My father's business interests?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. Only such relations as because of an association of 20 years he is interested to contribute.

Chairman WALSH. Is he upon a salary?

Mr. ROCKEFELLER, Jr. He is not. We regretted greatly to have him withdraw from the association. He insisted that he required more freedom and leisure, that he would be glad to continue in the philanthropic works which he had helped to develop, but that he positively declined to accept a salary or to be related to the business except as he might care from time to time to cooperate purely in a voluntary way.

Chairman WALSH. Would you kindly name any other gentleman who has been a member of the personal staff of Mr. John D. Rockefeller, your father, during the year 1914?

Mr. ROCKEFELLER, Jr. Mr. Jerome D. Greene.

Chairman WALSH. He was the only other individual who during that year—I believe you have stated Mr. Lee was not upon that staff—he was the only other individual during that year. I believe you have stated Mr. Lee was not upon that staff.

Mr. ROCKEFELLER, Jr. He was not.

Chairman WALSH. Is Mr. Starr J. Murphy a director in the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. What is his place of residence, please?

Mr. ROCKEFELLER, Jr. Montclair, N. J.

Chairman WALSH. And where is his office?

Mr. ROCKEFELLER, Jr. 26 Broadway.

Chairman WALSH. During 1914 were you a director, Mr. Rockefeller, in the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. During the year 1914 was Mr. Jerome D. Greene a director in the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. Yes. I may say, if you will allow me, Mr. Chairman, with reference to Mr. Greene, that when he came into the office he went into that position, among others—the Manhattan Railroad is another.

Chairman WALSH. I wish to inquire particularly in regard to this so we can keep the continuity up.

Mr. ROCKEFELLER, Jr. I simply meant to say that he gave his time more to the foundation work than to those others, so that he has not had the personal knowledge or touch with the Colorado Fuel & Iron Co. as a director that those who have been longer in the directorship have had.

Chairman WALSH. Did Mr. Ivy Lee occupy any position with the Colorado Fuel & Iron Co. prior to December 7, 1914, when he became a member of the personal staff of Mr. John D. Rockefeller?

Mr. ROCKEFELLER, Jr. May I correct you there, Mr. Chairman? It was January 1, 1915, that he became a member.

Chairman WALSH. The announcement was December 7.

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. I stand corrected.

Mr. ROCKEFELLER, Jr. To take effect January 1. Mr. Lee had no connection with the Colorado Fuel & Iron Co. other than that he was cooperating with the operators' committee of three operators in Colorado in helping to present the facts which they knew and collated regarding the conditions in Colorado that they might be made public.

Chairman WALSH. Did the personal staff of Mr. John D. Rockefeller receive salaries or compensation in any form as such?

Mr. ROCKEFELLER, Jr. Mr. Murphy does.

Chairman WALSH. Anyone else?

Mr. ROCKEFELLER, Jr. Mr. Lee does.

Chairman WALSH. Anyone else?

Mr. ROCKEFELLER, Jr. The only other member is myself. I do not.

Chairman WALSH. You do not?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Now, did Mr. Lee, during the year 19—when did the salary of Mr. Lee commence with that personal staff?

Mr. ROCKEFELLER, Jr. January 1, 1915.

Chairman WALSH. 1915. Prior to that time had he received any salary so far as you know from any corporation in which you represented your father?

Mr. ROCKEFELLER, Jr. That is quite a simple matter, Mr. Chairman. We had felt as individuals, or stockholders, as directors in the Colorado, Fuel & Iron Co. last spring, that the public was not getting the facts. For many years large corporations and individuals have been criticized for their taciturn policy. Many times we have been so criticized. We have maintained a policy of—

Chairman WALSH. Will you excuse me, please, until I sign a voucher?

Mr. ROCKEFELLER, Jr. Certainly. I beg your pardon.

Chairman WALSH. Now, you may proceed, Mr. Rockefeller.

Mr. ROCKEFELLER, Jr. I was just saying it had been the policy of most large corporations and individuals to maintain silence with reference to their affairs. I think the public feeling has been growing of late years that that attitude toward the public was unwise, and that the public was entitled to know about large concerns, whether private or public. The importance of that policy has been growing and we have felt for some time that we should adopt the modern policy of greater publicity.

We, therefore, when this situation in Colorado developed last year, finding that there was much said that was not true, and that it was difficult to get the facts before the public, we felt it our duty as individuals and stockholders and directors in the company to do what we could to get the facts before the public, and I personally took pains to inquire as to who could assist in what I believed was an important public work. After careful inquiry I was told of Mr. Lee, whom I saw with my colleagues, and asked him if he could undertake

to assist the operators' committee and ourselves in the matter of properly presenting the facts in this situation. Of course, Mr. Lee could only consent with the consent of the president of his company, whom I saw, and he graciously consented. Mr. Lee spent his vacation and extra time in cooperating with us and the fuel company, I think, from early June of last year, in an earnest, straightforward effort to put the facts before the public.

Mr. Lee had nothing to do with assuming responsibility for the facts regarding Colorado. He simply acted in behalf of the operators' committee who were themselves informed of the facts, putting in shape the material they had in hand. He assumed no responsibility for the accuracy of the statements and they went out over their names. Does that cover it, Mr. Chairman?

Chairman WALSH. Thank you, Mr. Rockefeller, but did Mr. Ivy Lee receive any compensation or salary from any corporation in which you were interested as a representative of your father during 1914?

Mr. ROCKEFELLER, Jr. Pardon me, I meant to add that. I made the arrangement with Mr. Lee myself, and I advised Mr. Welborn, in whose—in the interest of whom with the other operators I was also working, that we regarded the matter of such importance that while it might be the operators would pay the whole expense, that any part they could not pay we would be glad to pay. That was the arrangement made.

Chairman WALSH. Thank you, but did Mr. Ivy Lee receive any salary or compensation from any corporation in which you are a representative of your father, during the year 1914?

Mr. ROCKEFELLER, Jr. I am not trying to evade, but maybe I am stupid.

Chairman WALSH. Please keep your mind on that question.

Mr. ROCKEFELLER, Jr. The cost of the publications has been paid by the operators. Mr. Lee's personal compensation has been paid by my father. What adjustment the operators may be disposed to make, I do not know.

Chairman WALSH. What compensation was paid to Mr. Lee for the work he did during the year 1914?

Mr. ROCKEFELLER, Jr. My recollection is—Mr. Chairman, if you feel that it is a question I ought to answer in this public way—

Chairman WALSH (interrupting). Yes.

Mr. ROCKEFELLER, Jr. One thousand dollars a month.

Chairman WALSH. One thousand dollars a month?

Mr. ROCKEFELLER, Jr. That is my recollection.

Chairman WALSH. Was that money paid by your father, on behalf of the Colorado Fuel & Iron Co., as a contribution to that company?

Mr. ROCKEFELLER, Jr. It was paid by my father as a contribution to the general public situation, which he felt it was his duty to make any proper contribution toward.

Chairman WALSH. Was there any charge made against the Colorado Fuel & Iron Co. for the money your father paid to Mr. Lee?

Mr. ROCKEFELLER, Jr. There was not. My letter to Mr. Welborn stated, frankly and clearly, that I assumed the operators would pay what they could, and whatever they could not pay that we would pay. I have made the payment on my father's behalf to Mr. Lee, and I have not had opportunity yet to see the officers of those several companies to see what portion of the money, if any, they feel they can bear. But the arrangement was satisfactory to us, whichever way it worked out, because we felt that it was an important matter and in the common and public interest.

Chairman WALSH. Have you charged against the Victor-American Fuel Co. or the Rocky Mountain Fuel Co. or the Colorado Iron Co. any money whatever to pay the compensation of Mr. Ivy L. Lee?

Mr. ROCKEFELLER, Jr. No, sir. My letters very clearly stated it would be a matter for those gentlemen to decide entirely as to what they felt they could pay.

Chairman WALSH. Did I understand you to say that you have not yet had an opportunity to ascertain whether or not they were going to return any of that money?

Mr. ROCKEFELLER, Jr. Yes; because I have not seen them. If they can contribute, all right; and if they do not feel they can, the account is settled and satisfactory to us.

Chairman WALSH. Did Mr. Lee have any other or further connection with your father or any of the companies in which you represent your father than that you have stated?



Mr. ROCKEFELLER, Jr. No, sir. I never knew Mr. Lee personally, or knew of him, until last June, when I was seeking a man that had experience along those particular lines.

Chairman WALSH. Where was the policy of publicity which was finally entered upon by the Colorado Fuel & Iron Co., the Rocky Mountain Fuel Co., and the Victor-American Fuel Co. finally determined, in New York or Colorado?

Mr. ROCKEFELLER, Jr. That question I could not answer; I was not a party to it.

Chairman WALSH. You were not present when the policy was determined, you have stated, of giving more publicity to the conduct of the corporations and of getting the best man available for that purpose?

Mr. ROCKEFELLER, Jr. Yes, sir; I was present as a member of my father's staff when the eastern directors and representatives of my father personally discussed the desirability of this matter. But I never have discussed the matter with the gentlemen representing these various companies in Denver. I wrote them, stating our views as a result of the conferences had in our office between my colleagues and myself.

Chairman WALSH. That is, as to the publicity campaign or policy and the method of carrying it out? That was determined by the personal staff of your father?

Mr. ROCKEFELLER, Jr. No; the idea of appropriate publicity originated there; but as to how it should be carried out was a matter which the three operators in Colorado and Mr. Lee worked out among themselves.

Chairman WALSH. I made my question too broad, perhaps. The policy was adopted by the personal staff of your father, and the determination to employ some good person to carry on the work was also thus adopted?

Mr. ROCKEFELLER, Jr. Yes; the general policy of adequate publicity.

Chairman WALSH. But, then, as a member of your father's staff you made the arrangement with the president of the Pennsylvania Railroad Co.?

Mr. ROCKEFELLER, Jr. I merely asked his consent to allow Mr. Lee to render this additional service.

Chairman WALSH. Then who made the agreement with Mr. Lee?

Mr. ROCKEFELLER, Jr. I did.

Chairman WALSH. As to the work he was to do and the compensation which he was to receive?

Mr. ROCKEFELLER, Jr. Only generally.

Chairman WALSH. I mean generally, of course; not the details that went into the bulletins.

Mr. ROCKEFELLER, Jr. Not only that, but I did not pretend to lay out the program; that was for him to suggest. That is why we employed him, because we believed he could make those suggestions. But the general policy that publicity was desirable—fair, honest, and open publicity—was originated in our office, and the arrangement with Mr. Lee was made by myself, as I have stated.

Chairman WALSH. Following the agreement that you made as to the general policy—

Mr. ROCKEFELLER, Jr. (Interrupting). The general policy, I want to make clear, was that there should be adequate and proper publicity. How that should be accomplished was a matter that Mr. Lee subsequently took up.

Chairman WALSH. Did you give Mr. Lee any instructions, after you employed him, as to where he was to go, for instance, for his information?

Mr. ROCKEFELLER, Jr. When we employ people we expect them to be competent along the lines as to which we have no knowledge; we look to them for information and suggestion. I was not able to make suggestion to Mr. Lee as to how to effect that publicity. I looked to him for suggestions, and he was free to do what was necessary and proper, and he so acted.

Chairman WALSH. Then you did not give him any instructions, is your answer?

Mr. ROCKEFELLER, Jr. I did not; I was not competent to do so.

Chairman WALSH. Did any of the other officers undertake to give him any directions?

Mr. ROCKEFELLER, Jr. Not to my knowledge.

Chairman WALSH. Did he go to Colorado?

Mr. ROCKEFELLER, Jr. He did.

Chairman WALSH. Was there any understanding, when he was employed, as to the means he was to take to acquire information?

Mr. ROCKEFELLER, Jr. I do not recall that. It was left entirely to Mr. Lee.

Chairman WALSH. Was it determined by the personal staff of Mr. John D.

Rockefeller that bulletins should be issued from time to time purporting to give, or endeavoring to give, what might be called the truth as to the Colorado situation?

Mr. ROCKEFELLER, Jr. That was a suggestion made by Mr. Lee; not by us. We were not familiar with matters of that kind. We felt that he was competent and that it was perfectly safe to leave the matter with him.

Chairman WALSH. Was that suggestion made before or after he was employed—that suggestion of Mr. Lee?

Mr. ROCKEFELLER, Jr. Of course, Mr. Chairman, when we first met Mr. Lee—our first conference with Mr. Lee was for the purpose of getting suggestions from him as to how adequate and proper publicity might be brought about. We did not at that time know that we could avail ourselves of his services. Our thought was more to ask him how such a thing could be done and what he could suggest. As a result of that first conference it developed that it might be possible for Mr. Lee to undertake the work, and we subsequently took the matter up, as I have stated, with the president of the Pennsylvania Railroad.

Chairman WALSH. Did your father keep a set of books covering the expenditures, such as the payment of a salary to Mr. Lee?

Mr. ROCKEFELLER, Jr. I think it is perhaps in his regular accounts. It was a regular expense, simply an ordinary office expense.

Chairman WALSH. An ordinary office expense of what office?

Mr. ROCKEFELLER, Jr. Of his office; because this publicity, we felt, was so important for ourselves, as well as the Colorado Fuel & Iron Co., that we, as I stated, stood ready to pay the whole cost, or such part of it as the other gentlemen felt they could not pay.

Chairman WALSH. What is the name of the individual that keeps the books?

Mr. ROCKEFELLER, Jr. There are half a dozen gentlemen.

Chairman WALSH. Who is the head of that department that keeps the books in which the charge was made, or the item entered, covering the salary of Mr. Ivy Lee?

Mr. ROCKEFELLER, Jr. Mr. Jenkins is the gentleman in charge of the book-keeping.

Chairman WALSH. When you say that it was in Mr. Rockefeller's office, is that the office in which are kept track of and managed his general investments?

Mr. ROCKEFELLER, Jr. My father's personal business. That is all I have anything to do with or his staff—his personal business, his private affairs.

Chairman WALSH. Then, am I to understand that anything Mr. Lee did in Colorado toward publicity, his compensation for that came from your father, and that it was charged in the books of your father's general private business?

Mr. ROCKEFELLER, Jr. Mr. Chairman, that is accurate, but it is not quite comprehensive.

Chairman WALSH. Any explanation that goes with it, kindly give it now.

Mr. ROCKEFELLER, Jr. I think one should bear in mind what was done—what was contained in the letter I wrote to Mr. Welborn, in which I spoke of our feeling that publicity was very desirable for the sake of the Colorado situation and our general interests, and I said "the Colorado Fuel & Iron Co. and the other operators, we expect, want to pay their share of this expense. We assume they may want to pay it all, they will if they can, but we regard the matter as so important and of such public interest that whatever expense they do not feel able to pay—"

Chairman WALSH (interrupting). Who do not feel able to pay?

Mr. ROCKEFELLER, Jr. The three operators acting as the operators' committee and representing the operators—"whatever portion of the expense they do not feel able to pay we will pay." It has happened that they have paid the cost of the publications. It has happened since I made the arrangement with Mr. Lee and was responsible to him on behalf of whom it might concern that I have paid him with my father's funds. What portion of that compensation the operators may feel they are able to pay back I do not know. If they pay back nothing then the account will stand as it is. So it appears that we have paid Mr. Lee's salary to date with that understanding—

Chairman WALSH. With the understanding that it was charged to your father's private business?

Mr. ROCKEFELLER, Jr. I do not know just where it was charged, Mr. Chairman. It was charged, I presume, to office expenses. I do not keep track of the books, but it was an ordinary expense that we passed in the ordinary way.

Chairman WALSH. Will you kindly obtain from Mr. Jenkins, whom I believe

you stated was the head of the bookkeeping department—we do not want to call him personally—a statement as to how this charge was made?

Mr. ROCKEFELLER, Jr. I will gladly do so.

Chairman WALSH. That is, as to what account?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. On January 1 what connection was established between Mr. Ivy L. Lee, the personal staff of Mr. John D. Rockefeller—any corporations in which Mr. John D. Rockefeller or yourself is interested, including business and philanthropic organizations? Begin with the first, please—the staff.

Mr. ROCKEFELLER, Jr. My impression is that Mr. Lee was automatically put into such positions on boards as Mr. Greene had resigned from. The only two I recall are the Colorado Fuel & Iron Co. and the Western Maryland Railroad.

Chairman WALSH. How about the personal staff of Mr. John D. Rockefeller; did he become part of that?

Mr. ROCKEFELLER, Jr. That is what the notice states, that he did.

Chairman WALSH. I am asking you to repeat that, if you please.

Mr. ROCKEFELLER, Jr. He became a member of Mr. Rockefeller's personal staff, to take the place of Mr. Greene.

Chairman WALSH. And the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. Yes; as representing my father, as were my father's other representatives.

Chairman WALSH. He owned no stock in that himself?

Mr. ROCKEFELLER, Jr. No; he owned no stock himself.

Chairman WALSH. And he merely has representation, or qualifying stock now?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. What connection, if any, did he assume with what is known as the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. No connection, no official connection, or connection as a director, but our office staff is a sort of family affair. We talk over all kinds of matters of our common interest. We have not drawn sharp lines between business and philanthropic interests. We have developed both among us as a part of our common daily work, and we discuss in the office any matters of any kind that may seem to be of interest.

Chairman WALSH. So, am I to understand from that, that while Mr. Ivy L. Lee is not a trustee of the Rockefeller Foundation and has no official connection with it and no salaried position with it, yet nevertheless, on account of his being on the staff of your father, you do discuss with him the affairs of the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. I do not know that I have, but I should not hesitate to discuss with him such matters or the affairs of the Rockefeller Institute or the General Education Board, or any other matters that might come up in the day's business for discussion or action.

Chairman WALSH. Do you recall any conversations which you have had in the meetings of the trustees of the Rockefeller Foundation in which Mr. Lee participated?

Mr. ROCKEFELLER, Jr. No, I could not; I would not be able to recall that, Mr. Chairman, because we are constantly meeting informally in the office and discussing one matter and then another, but it is hardly possible that we do not discuss various matters in connection with the foundation with Mr. Lee—the various questions I could not specify, but we would feel entirely free to do so. That is what a member of the staff is expected to do, confer on any matters that come up.

Chairman WALSH. So that Mr. Lee would have an influence in shaping the activities of the Rockefeller Foundation, due to the fact that he was a member of your father's staff?

Mr. ROCKEFELLER, Jr. He would have just as much influence as any competent, intelligent, able-minded man would have whom we might ask to meet and confer with us.

Chairman WALSH. He would not have any more influence on account of being a member of your father's staff than would any other outside man of ability and integrity that you might confer with?

Mr. ROCKEFELLER, Jr. Whose judgment we might seek.

Chairman WALSH. Whose judgment you might seek?

Mr. ROCKEFELLER, Jr. Yes, I think that is a fair statement.

Chairman WALSH. Now, as to the directors of the Rockefeller Foundation; are you one, Mr. Rockefeller? I believe you are.

Mr. ROCKEFELLER, Jr. Yes, Mr. Chairman.

Chairman WALSH. And your father is a director?

Mr. ROCKEFELLER, Jr. He is a director.

Chairman WALSH. And Mr. F. T. Gates is a director?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. I believe you have already stated that Mr. Gates at the present time has no official connection with any of the corporations in which your father is interested?

Mr. ROCKEFELLER, Jr. I do not think I stated that; if I did, I must correct the statement. I said that Mr. Gates was no longer a member of our office staff, as he had been for many years; he is no longer under salary, at his own request. Mr. Gates has continued as a director, in the Western Maryland Railroad, as a representative of my father, where he has been for many years. I think that is the only business directorate which he retained. Several times he has expressed his desire to resign, but we have asked him to continue, and he has been willing to do so.

Chairman WALSH. Outside of his compensation for attending directors' meetings of that one corporation does Mr. Gates receive any salary from your father?

Mr. ROCKEFELLER, Jr. Not since he insisted that his salary should terminate, several years ago. We have urged him to accept a salary, because we have been desirous of continuing to avail ourselves of his services.

Chairman WALSH. Does he receive salary from any corporation in which your father is interested?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. Mr. H. P. Judson, I notice, is also a member of that board of directors; what is the business or profession of Mr. Judson?

Mr. ROCKEFELLER, Jr. Mr. Judson is president of the Chicago University.

Chairman WALSH. Mr. Wickliffe Rose I see mentioned.

Mr. ROCKEFELLER, Jr. Mr. Rose is secretary of the International Health Commission. It was he who conducted the work of the eradication of the hookworm disease in the South on behalf of the health commission which was established by my father some years ago.

Chairman WALSH. That Mr. Wickliffe Rose?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. What is the name of the organization you say he is the head of?

Mr. ROCKEFELLER, Jr. He is the executive secretary of the International Health Commission, which is, as described in the answer to these questionnaires, one of the organizations which has been created by the Rockefeller Foundation, directing its attention largely to matters of health and sanitation.

Chairman WALSH. As executive secretary he receives a salary from that activity?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Mr. C. W. Elliot?

Mr. ROCKEFELLER, Jr. Ex-President Elliot, of Harvard University.

Chairman WALSH. Mr. A. B. Hepburn?

Mr. ROCKEFELLER, Jr. Chairman of the board of directors of the Chase National Bank of this city.

Chairman WALSH. Is he engaged as a director in any industrial corporations that you know of—any large industrial corporation?

Mr. ROCKEFELLER, Jr. You mean that we have an interest in?

Chairman WALSH. No, sir.

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. You might answer that part of it, however, and save asking you again.

Mr. ROCKEFELLER, Jr. He is not.

Chairman WALSH. Now, what large industrial companies is Mr. A. B. Hepburn connected with as a director?

Mr. ROCKEFELLER, Jr. I understand he is to testify later, Mr. Chairman. I am afraid he will have to speak for himself, because I don't know.

Chairman WALSH. Who is S. Flexner—Dr. Flexner?

Mr. ROCKEFELLER, Jr. He is the head of the Rockefeller Institute for Medical Research—Dr. Simon Flexner.

Chairman WALSH. On a salary?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Mr. Starr J. Murphy—if you have told us what his business connection was with your company, I have forgotten it.

Mr. ROCKEFELLER, Jr. He is a member of my father's personal staff.

Chairman WALSH. And he receives a salary?

Mr. ROCKEFELLER, Jr. He does.

Chairman WALSH. Mr. C. O. Heydt?

Mr. ROCKEFELLER, Jr. Mr. Heydt has been associated with me as private secretary for a number of years.

Chairman WALSH. He is your private secretary?

Mr. ROCKEFELLER, Jr. He is.

Chairman WALSH. And Mr. J. D. Greene, you have mentioned.

Mr. ROCKEFELLER, Jr. Mr. Greene is secretary of the Rockefeller Foundation.

Chairman WALSH. And a salaried man?

Mr. ROCKEFELLER, Jr. As secretary of the foundation he receives a salary.

Chairman WALSH. Did he receive a salary as a member of the personal staff of your father?

Mr. ROCKEFELLER, Jr. Oh, yes. I am the only one who is not included in the salary roll of the personal staff.

Chairman WALSH. Well, none of these gentlemen, as I understand you have already answered, receives any salary from the foundation?

Mr. ROCKEFELLER, Jr. Except Mr. Greene. He is the secretary of the foundation.

Chairman WALSH. None of the others?

Mr. ROCKEFELLER, Jr. None of the others.

Chairman WALSH. Did Mr. Lee have any connection of any sort with the Rockefeller Foundation during the year 1914?

Mr. ROCKEFELLER, Jr. Well, he has no connection now, Mr. Chairman, and—

Chairman WALSH (interrupting). I understood you to testify that he had no connection now, except as you described as you might meet with him as any other outsider whom you might call in who had judgment—I recall. Did he have any connection with the foundation during the year 1914?

Mr. ROCKEFELLER, Jr. He did not.

Chairman WALSH. The three members of your father's general staff that were connected with the Colorado Fuel & Iron Co., and with the foundation during the year 1914, were yourself, Mr. Starr J. Murphy, and Mr. Jerome D. Greene; that was all?

Mr. ROCKEFELLER, Jr. That was all, and that was, of course, a natural outgrowth of the fact that we were representing my father in any matters that he was interested in.

Chairman WALSH. Of course, as I understand—is your father a director of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. You represent him on that?

Mr. ROCKEFELLER, Jr. We three represent him.

Chairman WALSH. Now, I don't recall—when did you become interested in the Colorado situation industrially? I mean in the properties out there?

Mr. ROCKEFELLER, Jr. In 1902; it has been about 12 years.

Chairman WALSH. What information do you regularly receive regarding the labor conditions in the corporations in which you are interested either directly or as the representative of your father?

Mr. ROCKEFELLER, Jr. It is not customary in any corporations I have ever been connected with as director to receive regular information regarding labor matters.

Chairman WALSH. Do you receive reports from any of the corporations in which you are a director, which gives you direct information in regard to labor conditions?

Mr. ROCKEFELLER, Jr. I have never known of a director who received such reports; not in my experience; I do not.

Chairman WALSH. Do you make it a practice to visit the plants of the corporations in which you are interested and make personal inquiries and observations regarding conditions?

Mr. ROCKEFELLER, Jr. In so far as possible.

Chairman WALSH. Please mention any that you visited during the year 1914?

Mr. ROCKEFELLER, Jr. None.

Chairman WALSH. Please mention any that you visited during the year 1913?

Mr. ROCKEFELLER, Jr. May I state, Mr. Chairman, that of the three corpo-

rations I am director of one is an insurance company, so there would not be much to inspect. The other is the Manhattan Railway Co., and, of course, I ride in that system from time to time, it being in New York; and the third is the Colorado Fuel & Iron Co.

Chairman WALSH. How many mines have the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. My impression is about 24 mines in operation a year or more ago when the times were normal.

Chairman WALSH. Located in what States, during the year 1914, were the mines of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. Well, I can not say other than Colorado. I think they are largely concentrated there. I would not be prepared to say there were not some over the border line, but my impression is they are all in Colorado.

Chairman WALSH. Do they not also operate mines in the State of Wyoming?

Mr. ROCKEFELLER, Jr. Coal mines?

Chairman WALSH. Yes, sir.

Mr. ROCKEFELLER, Jr. Well, they may, but I don't know, Mr. Chairman.

Chairman WALSH. Do they operate iron mines in the State of Wyoming?

Mr. ROCKEFELLER, Jr. I think they do.

Chairman WALSH. Sir?

Mr. ROCKEFELLER, Jr. I think so.

Chairman WALSH. As a director of that company have you received—as a director of the Colorado Fuel & Iron Co., have you received reports from time to time from the executive officials of your company in the State of Wyoming?

Mr. ROCKEFELLER, Jr. My impression is that the large supply of iron ore which the Colorado Fuel & Iron Co. uses in its steel plant comes from its mines in Wyoming, and that those iron mines are under the general care of the officers of the Colorado Fuel & Iron Co. We have no specific reports with reference to that.

Chairman WALSH. The reports you get upon the financial condition, as well as the activities of the Colorado Fuel & Iron Co. in the State of Wyoming, come to you from, or did come to you for the past five years, did they not, from the following gentlemen: L. M. Bowers, chairman; J. F. Welborn, president; F. T. Gates, vice president; J. A. Writer, auditor; and Joseph Chilberg, sales manager?

Mr. ROCKEFELLER, Jr. Usually, Mr. Chairman, and I think solely, from Mr. Bowers, the former chairman of the board, and Mr. Welborn, the president of the company.

Chairman WALSH. Have you with you, Mr. Rockefeller, or have you been asked to produce, the report made by Mr. L. M. Bowers, as chairman, and also signed by Mr. J. F. Welborn, F. T. Gates, J. A. Writer, and Joseph Chilberg, of the Colorado Fuel & Iron Co., to its stockholders in the year 1909?

Mr. ROCKEFELLER, Jr. I have not been asked to produce the report and have not it with me.

Chairman WALSH. Does the company make reports to its stockholders every year?

Mr. ROCKEFELLER, Jr. It makes reports, I presume, at the annual stockholders' meetings, Mr. Chairman. I have never attended but one stockholders' meeting. They occur, as I have stated, in Denver.

Chairman WALSH. Do you believe, Mr. Rockefeller, that the stockholders of a corporation, aside from the directors, have any responsibility in regard to labor conditions in the industrial concerns in which they own stock?

Mr. ROCKEFELLER, Jr. That I stated, Mr. Chairman, in my original paper, that while the powers of the stockholders are limited to the electing of directors, a stockholder certainly, if he has any amount of stock, has a moral responsibility and a moral influence over directors and officers, which he needs to use with care and with thought and in justice.

Chairman WALSH. Have you ever been present at any of the meetings in Colorado at any time since the time your interests acquired the ownership out there?

Mr. ROCKEFELLER, Jr. Yes; I have been several times to Colorado in the earlier days of our acquiring the interest, and went about quite extensively at that time.

Chairman WALSH. When was the last time that you were personally in Colorado?

Mr. ROCKEFELLER, Jr. Just about the time of the financial reorganization. I think it was about 10 years ago.

Chairman WALSH. Have you inspected any factory or mine or railroad in any of those industries in which you are a director during the past 10 years, personally?

Mr. ROCKEFELLER, Jr. As I have stated, Mr. Chairman, the insurance business does not lend itself to current inspection.

Chairman WALSH. Well, leave out the insurance feature of it and answer the rest, to save time.

Mr. ROCKEFELLER, Jr. You have asked a general question and I want to answer it fully. The Manhattan Railway Co. I ride on from time to time. That is in New York City. The Colorado Fuel & Iron Co. I have not visited in the last 10 years.

Chairman WALSH. When you ride on the Manhattan Railroad Co., do you make some inquiries into the condition of the labor of the road?

Mr. ROCKEFELLER, Jr. No, Mr. Chairman, because, as I have said, the Manhattan—the elevated railway—is leased to the Interborough; the Interborough operates it. The duties of the directors of the Manhattan Railway are confined to seeing that the terms of their lease are lived up to, so that the question of operating the road is not a question which would come to the directors.

Chairman WALSH. During the past five years, have you, as a director of the Colorado Fuel & Iron Co., received any specific reports regarding labor conditions in the mines of the company in Colorado or Wyoming?

Mr. ROCKEFELLER, Jr. It has not been customary, Mr. Chairman, to send specific formal reports. I have received through the several officers of the company, as is shown by our correspondence, information from time to time which they thought it was desirable that we should have, and which we desired to have; but there has never been any specific formal method of currently informing the directors in the East of labor conditions.

Chairman WALSH. Verbally, has any officer of the Colorado Fuel & Iron Co. made a statement to the eastern directors as to labor conditions, living conditions in the camps of the company in Colorado?

Mr. ROCKEFELLER, Jr. When either of the officers that you have mentioned have been in the East we have discussed the general affairs of the company, and such matters have doubtless come up, as they would with other matters of importance in connection with the company.

Chairman WALSH. Were those statements of the executive officers taken down in shorthand?

Mr. ROCKEFELLER, Jr. It has not been customary to do so.

Chairman WALSH. Then there is no statement in the office in New York—during the past 10 years there has been no statement in the office in New York as to the labor conditions in Colorado?

Mr. ROCKEFELLER, Jr. There has been the correspondence, Mr. Chairman, which would touch upon that, together with the other divisions and other phases of the companies—we have had constant correspondence.

Chairman WALSH. Has this commission received all of the correspondence with respect to labor conditions in Colorado through the original letters received and copies of letters sent, in its hearing in Colorado, so far as you know?

Mr. ROCKEFELLER, Jr. Through the periods covered, so far as I know.

Chairman WALSH. Does that include all the correspondence that has been had between the New York office and the Colorado office during the past 10 years?

Mr. ROCKEFELLER, Jr. No, Mr. Chairman. Of course, there has been constant correspondence.

Chairman WALSH. Including, among other things, a reference to labor conditions.

Mr. ROCKEFELLER, Jr. My recollection as to correspondence running over a period of 10 years would be quite vague; but it has been customary, in correspondence as well as in conference, to touch upon the various matters of interest in connection with the company.

Chairman WALSH. In the year 1914, was there correspondence between the New York office and the Colorado office with reference to labor conditions in the plants of your company in Colorado?

Mr. ROCKEFELLER, Jr. I presume that there was, Mr. Chairman. I have not sorted out the correspondence to see the exact dates, but that is the way we have gotten our information currently.

Chairman WALSH. Has the commission called upon you for that correspondence, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. No, Mr. Chairman.

Chairman WALSH. Will you kindly, at your convenience, Mr. Rockefeller, produce all the correspondence between the New York office and your Colorado office in which any reference is made to labor conditions in Colorado or Wyoming during the years 1913-14?

Mr. ROCKEFELLER, Jr. (making note). During 1914?

Chairman WALSH. From the 1st of January, 1913, up to and including the 1st day of January, 1915.

Mr. ROCKEFELLER, Jr. Exclusive, I presume, of such letters as already have been presented to you in Denver?

Chairman WALSH. Certainly.

Mr. ROCKEFELLER, Jr. Yes, Mr. Chairman.

(See Rockefeller, Jr., Exhibit No. 2.)

Chairman WALSH. What general principles, other than what you have stated in the document which you read this morning, have controlled in determining labor conditions in corporations in which you are interested?

Mr. ROCKEFELLER, Jr. I undertook to present those principles pretty fully, Mr. Chairman. I do not think I could add to that statement. I would be happy to read it again if you so desire.

Chairman WALSH. Not unless you care to, Mr. Rockefeller.

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Or some member of the commission cares to have it read. I have noted here one very short statement, very concisely put, by your father in his Random Reminiscences of Men and Events, as follows:

"The best of philanthropy, \* \* \* the investment of effort or time or money, carefully considered with relation to the power of employing people at a remunerative wage, to expand and develop the resources at hand, and to give opportunity for progress and healthful labor where it did not exist before."

What efforts have been made by the directors in New York for applying that principle to the State of Colorado and also to the State of Wyoming?

Mr. ROCKEFELLER, Jr. The effort has been made to the extent, Mr. Chairman, of practically no returns on the investment during the period of 12 years, and to put all the surplus earnings back into the development of the company.

As I pointed out in my statement, during a period of 12 years the company has paid over \$92,000,000 to the employees of the company in wages, and my father has received on his interest in the stock of the company \$371,000. My only fear as a director has been that the many stockholders in the company might very justly find fault with the trustees of the property for having expended so large an amount of the current surplus earnings in the development of the property, in increasing the wages and in providing, as they could, for the employees, instead of making any return other than the slight return to the stockholders I have mentioned, which is inconsequential. I fear we have been open to criticism very sharply on that ground.

Chairman WALSH. Is there an added value, or has there been during the past 12 years, to your real ownership of wealth growing out of these properties, aside from that represented by dividends upon its capital stock and interest from its bonds?

Mr. ROCKEFELLER, Jr. If anyone can show such added value and would make us an offer of anything approaching what the properties originally cost, we would be only too happy to do business, Mr. Chairman.

Chairman WALSH. I read from the alleged report—first, I will ask you whether or not the Colorado Fuel & Iron Co. does not own a very large amount of coal lands that are not being commercially exploited at the present time?

Mr. ROCKEFELLER, Jr. That is true.

Chairman WALSH. What area does it own in the State of Colorado?

Mr. ROCKEFELLER, Jr. I can not tell you.

Chairman WALSH. Does it also own a large amount of iron land that is not being commercially exploited at the present time?

Mr. ROCKEFELLER, Jr. I have not in mind the extent of the iron holdings.

Chairman WALSH. Does this company own a tinplate plant whose book value is \$1,332,000, in the State of Colorado, that is not being operated now?

Mr. ROCKEFELLER, Jr. As to whether it is being operated now or not, I could not tell you. I think that there is, among the various steel industries, a tin plant.

Chairman WALSH. Has it been operated?

Mr. ROCKEFELLER, Jr. I should say yes. But I would not be accurate on that matter.



Chairman WALSH. Do your companies consider any added value to the property through the subject of the imposition or failure to impose taxes upon the property? For instance, if it owns large areas of property of great potential value when it is worked, do they consider what might be called the added wealth of that property in paying taxes while it is being held for future development?

Mr. ROCKEFELLER, Jr. If in the meantime, Mr. Chairman, the company is driven into bankruptcy, that prospective profit that might be derived for many years to come would not be of any great comfort.

Chairman WALSH. But I asked whether or not that was considered in estimating the value of property?

Mr. ROCKEFELLER, Jr. I do not know, but it would be so slight that it would not be consequential, in my judgment.

Chairman WALSH. When you went into the field in Colorado, or your interest went into the field in Colorado, it was with the intention, of course, of commercializing and exploiting the property and bringing it to its highest reasonable state of development, was it not?

Mr. ROCKEFELLER, Jr. Mr. Chairman, our investment there was not entered into from the start of the enterprise—we did not sit down and determine that we would go to Colorado and develop the coal mines and the steel industry in Colorado. But we rather bought a small original stock interest, and when the situation as regards the financial condition of the company was unsatisfactory, it became necessary for us to cooperate with the other stockholders in reorganizing the finances. And in that way our interest was increased. We did not set out to enter that business. We did originally set out in the buying of iron ores in the State of Minnesota to get into that business and to develop it, but that was not our purpose here. It was simply a stock investment, as a result of which we were drawn into a larger relationship and as a result of which there came upon us the necessity for cooperating with the other stockholders in undertaking to build up the business. But in so far as our responsibility is concerned, our desire and purpose has been to do all in our power, as stockholders and directors, in developing the business in the State in the common interest.

Chairman WALSH. Before you went in there, plainly speaking, they owed you money? Before you made that stock investment?

Mr. ROCKEFELLER, Jr. I do not just catch the bearing of that question.

Chairman WALSH. Did the properties owe you money; did you hold the bonds, interest-bearing bonds, of the company before you made any stock investment in Colorado?

Mr. ROCKEFELLER, Jr. My impression is that there was an investment in stock first.

Chairman WALSH. What is the total capital stock of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I can not tell you that offhand, Mr. Chairman.

Chairman WALSH. Could you approximate it, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. No; I could not. I do not keep those figures in mind.

Chairman WALSH. Has there been any change in the amount of stock since the year 1909?

Mr. ROCKEFELLER, Jr. Well, that I could not tell you, offhand, Mr. Chairman.

Chairman WALSH. I will ask you, if I can refresh your memory by calling your attention to what seems to be a report of your officers to the stockholders, in which the capital stock of the Colorado Fuel & Iron Co. is given as follows:

Common stock.....	\$34, 235, 500
Preferred stock.....	2, 000, 000
Total.....	36, 235, 500

Do those figures appear familiar to you, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. Well, if they appear in the report signed by those gentlemen whose names you have just read, I should regard them as accurate, Mr. Chairman.

Chairman WALSH. This report is copied into a State document in Wyoming and is purported to have been—

Mr. ROCKEFELLER, Jr. (Interrupting). It is easy to get those figures from the annual report, Mr. Chairman.

Chairman WALSH. And it purports to be signed by L. M. Bowers, chairman; J. F. Welborn, president; F. T. Gates, vice president; J. A. Writer, auditor; and Joseph Chilberg, sales manager.

Mr. ROCKEFELLER, Jr. If the original of that document is so signed I should feel perfectly safe in putting confidence in the amount, Mr. Chairman.

Chairman WALSH. Without construing lack of confidence in the report of itself, inasmuch as it does come in a second-hand way, I thought I did ask you to furnish, but will you please furnish us these reports to stockholders from the year 1908 to the year 1914, both inclusive?

Mr. ROCKEFELLER, Jr. I didn't understand that you had made that request.

Chairman WALSH. I thought I had.

Mr. ROCKEFELLER, Jr. I think not, Mr. Chairman.

Chairman WALSH. I intended to do so.

Mr. ROCKEFELLER, Jr. What reports do you refer to?

Chairman WALSH. Reports made by the officers of the Colorado Fuel & Iron Co. to the stockholders for the years 1908 to 1914, both inclusive.

Mr. ROCKEFELLER, Jr. You mean annual reports, I suppose, or any other reports?

Chairman WALSH. Annual reports?

Mr. ROCKEFELLER, Jr. I presume we have them on file.

Chairman WALSH. I intended to ask for them, and thought I had.

Mr. ROCKEFELLER, Jr. No; I think you did not, Mr. Chairman.

Chairman WALSH. Has the 1915 report been issued yet, the report for 1915?

Mr. ROCKEFELLER, Jr. The report is issued after the annual stockholders' meeting, which occurs in, I think, October.

Chairman WALSH. I do not want any confusion by my naming reports for 1914 or 1915. If the report for 1914 comes in in 1915, I would like to have that if it is ready?

Mr. ROCKEFELLER, Jr. Yes; you want the latest report?

Chairman WALSH. The latest report.

Mr. ROCKEFELLER, Jr. Yes; I understand.

(Ten Annual Reports of the Colorado Fuel & Iron Co. for the fiscal years ended June 30, 1905, to June 30, 1914, inclusive, published at Denver, Colo., were subsequently submitted in printed form.)

Chairman WALSH. What is the total bond issue of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. That I would be glad to get for you from the reports. I do not bear it in mind, Mr. Chairman.

Chairman WALSH. You could not recall it at the present time?

Mr. ROCKEFELLER, Jr. No; I could not.

Chairman WALSH. Did you observe that in the report for 1909 that the capital was given, as I have stated, in round figures, thirty-six million and a quarter, and in that report this statement was also made:

"Net appreciation from 1880 to 1909, on iron ore, coal properties, developed and undeveloped, equipment at mines, steel and other plants, railroads, rolling stock, etc., \$19,308,327.40."

Mr. ROCKEFELLER, Jr. I probably observed it when I looked over the annual report. I do not bear it in mind now, Mr. Chairman.

Chairman WALSH. When you stated that the total return upon the investment of the group of which you have spoken was 3½ per cent on the stock and bonds, you did not take into consideration that appreciation in the value of the property which, if your report is correct, amounted to \$19,308,000 and odd?

Mr. ROCKEFELLER, Jr. Mr. Chairman, a business man does not usually count his profits until he has them in hand. And those are profits which may or may not be realized. It would depend upon whether or not there proved to be coal in those mines, perhaps, as to whether they were worth anything. We hope they are and we believe they are.

Chairman WALSH. Do not your executive officers have a method for appraising real estate like they have for appraising equipment at the mines?

Mr. ROCKEFELLER, Jr. I presume they do.

Chairman WALSH. Steel stock on hand, rolling stock, and other matters.

Mr. ROCKEFELLER. I presume that that is the method which has been employed there.

Chairman WALSH. And you pass upon those and accept those as a verity?

Mr. ROCKEFELLER, Jr. You are asking about the return on our investment, Mr. Chairman. I think my statement is still entirely accurate, that the return

which we have received has been less than 3½ per cent of the entire investment. I was not including—it would not occur to me to include returns which might some day come in. In the meantime we might have discontinued our interest in the company so that the return would not accrue to us.

Chairman WALSH. In giving the value of the property, however, Mr. Bowers includes that, does he not, in his annual report for 1909, the appreciation in its real value during those years?

Mr. ROCKEFELLER, Jr. I do not get, Mr. Chairman, the bearing of that statement, which I do not doubt is true, if it is in that report.

Chairman WALSH. It may not have any bearing. I am simply asking you for the fact.

Mr. ROCKEFELLER, Jr. If it appears in that statement, then he so includes it, Mr. Chairman.

Chairman WALSH. What is your information—has that property increased in value during those years approximately \$20,000,000?

Mr. ROCKEFELLER, Jr. I presume, Mr. Chairman, that any natural resources which are being drawn upon in constantly increasing quantity would increase in value. Other than that I can not say definitely about the amount of increase or the appropriateness of that estimate. But I assume if it is made—if those men made it, it is according to the best of their judgment accurate.

Chairman WALSH. Now, you have stated that a business man would not take such increase in value into consideration, if I understood you, for the reason that before the increase was realized he might be out of the corporation, he might dispose of his holdings?

Mr. ROCKEFELLER, Jr. I think I did not quite state that, Mr. Chairman. I stated he did not count the profits except as they came into his hands, that is, prospective profits which the business man hopes exist. I was speaking of the profits that could be counted, that had been realized, not of the prospective profits. I think you will agree that there are two quite different matters.

Chairman WALSH. I do.

Mr. ROCKEFELLER, Jr. Certainly a business man takes into consideration, as the holder of real estate does, as the holder of any business does, appreciation in the valuation of the property which he may be related to, because of the increase of the demand for the commodity and because, as with real estate, of the development of the community in connection with that real estate, and so on.

Chairman WALSH. Have any portion of the earnings been put back into the property during the 12 years that you have had investments there?

Mr. ROCKEFELLER, Jr. All of the surplus earnings, such as there have been, which have not been paid in dividends, have been so put back, Mr. Chairman.

Chairman WALSH. Of course, that adds to the value of the property.

Mr. ROCKEFELLER, Jr. Oh, yes; but, Mr. Chairman, in so far as those surplus earnings have gone into increased wages and into improved living conditions and things of that sort, of course, while they add to the property they do not add to its monetary value.

Chairman WALSH. Does a business man who controls a company or who owns a large amount of stock in a company, whether he directs it or controls it or not, take into consideration the statements of the executive managers of the business of his company in disposing or not disposing of his stock and securities, the alleged fact that the property within a certain number of years has increased twenty millions of dollars in value?

Mr. ROCKEFELLER, Jr. I think he would take into consideration, in contemplating his continuance in the property, or the sale of his interest, what he thought the prospects were of his realizing on his investment. And while, of course, such a statement as you have read shows an increase in the value, it may be fifty or a hundred years before those coal properties will require to be developed in order to supply the demands of that locality, in which event the return to the stockholders of to-day would be indefinitely postponed.

Chairman WALSH. Then, as I take it, this statement contained in this report, if it is so contained, that the net appreciation from 1880 to 1909 on iron ore and coal properties, developed and undeveloped, equipment at mines, steel and other plants, railroads, rolling stock, etc., \$19,308,000 you hold merely in the nature of an estimate of value that the property may have at some later period, as suggested by you, perhaps 50 or 100 years hence.

Mr. ROCKEFELLER, Jr. As value which exists, but which can not be realized on until the property is developed. That is the sort of information which is appropriate and accurate in valuing the property. But I do not believe that the

stock market, those who buy and sell stock, would pay very much attention to such data in connection with the value to-day of that stock.

Chairman WALSH. The sum approximately of \$19,308,000 added to the book value of the Colorado Fuel & Iron Co. in or about the year 1909.

Mr. ROCKEFELLER, Jr. If the statement so indicates it was, Mr. Chairman. But I have no personal recollection of the date, but I assume that the valuation was entirely correct and conservative, if made by those gentlemen.

Chairman WALSH. That is that amount of real wealth added when a sale takes place?

Mr. ROCKEFELLER, Jr. A sale of what—the stock?

Chairman WALSH. A sale of the stock or of the properties.

Mr. ROCKEFELLER, Jr. If the sale of the properties were effected, that would enter in.

Chairman WALSH. I will let it stand at that, Mr. Rockefeller, for the present. If a sale of the properties took place, what would be told the buyer was the value of the stock, I mean was the value of the property of the company?

Mr. ROCKEFELLER, Jr. The value of the property, the book value of the property, but the buyer would be very careful, if he was simply buying a stock interest, to consider what the stock value was, which is an entirely separate thing from, and, as you know, has no immediate relation to the intrinsic value of the property.

Chairman WALSH. It can be controlled by many other artificial matters other than the real value of the property and its intelligent and honest operation.

Mr. ROCKEFELLER, Jr. I think those who know more than I do about buying and selling stocks would tell you that the intrinsic value of a property has not any close relation to its present market value.

Chairman WALSH. I am going to ask you this one question at this point which was handed to me by another commissioner. Does the valuation of \$36,000,000 include the appreciation of \$19,000,000, and was the  $3\frac{1}{2}$  per cent figured on this appreciated value?

Mr. ROCKEFELLER, Jr. Mr. Chairman, the  $3\frac{1}{2}$  per cent was the actual money which was returned to my father in dividends on the stock and in interest on the bonds which he held. It has no relation whatever to the value, the intrinsic value, the potential value, the book value of the company.

Chairman WALSH. Does that answer your question, Mr. Weinstock? If not, you may interpolate a question. I thought that answered the question fully.

Commissioner WEINSTOCK. No; that is not quite clear in my mind. The point, Mr. Rockefeller, is whether this  $3\frac{1}{2}$  per cent paid out, practically paid to capital, was figured on the original investment, or was figured on the present appreciated value of the mines.

Mr. ROCKEFELLER, Jr. Mr. Weinstock, the  $3\frac{1}{2}$  per cent is the actual cash that has been paid in to my father as an owner of certain stocks of the company in the one dividend which was paid during the 12 years, and as an owner of certain bonds of the company representing the current annual interest of those bonds simply as an investor. If you buy bonds in a company, you get currently the interest, and if you buy stocks you are fortunate if you get currently the dividends. We were not so fortunate as to get them currently here. But my statement refers to the actual cash, either in interest on bonds or in the single dividend on the stock, which was paid to my father on account of his holdings, his personal holdings of stocks and bonds in that company.

Commissioner WEINSTOCK. If other words, you got  $3\frac{1}{2}$  per cent on the actual money put into the enterprise, regardless of its present valuation?

Mr. ROCKEFELLER, Jr. Actual money which he has put into the corporation. That is exactly it.

Commissioner WEINSTOCK. So it had no relation to any appreciated value?

Mr. ROCKEFELLER, Jr. It has no relation, the returns of the stocks and bonds would not have any relation, would it, to the—

Commissioner WEINSTOCK (interrupting). If the property has appreciated, say, \$19,000,000, and there have been no dividends declared on that \$19,000,000—

Mr. ROCKEFELLER, Jr. (interrupting). There have been no dividends declared at all except that one small dividend on the preferred stock. As I said in my statement, the surplus earnings which resulted from each year's operations have been put back into the property, either in the development of the property or in the increase of wages; as you will recall, two years ago there were two increases in wages amounting to a total of \$550,000 a year. That is a cur-

rent fixed charge. The stockholders have had to be put off so far as their return on the property is concerned that the employees might currently have that additional \$550,000 in wages.

Commissioner WEINSTOCK. This point, then, is not clear, Mr. Rockefeller: Assuming, in order to illustrate the point, that the mine earned \$100,000 during the year, and assuming that \$50,000 of that is paid out to either bondholders or stockholders, and the other \$50,000 is used in the way of betterment, in improvements in the mine. How would that \$50,000 be treated on the books of the corporation? Would it be treated purely as an expense item, or would a stock dividend be declared to cover it, or would it be treated as a surplus fund, resources and surplus?

Mr. ROCKEFELLER, Jr. When you refer to the \$100,000, I assume you mean net profit after operating expenses, net surplus after operating expenses?

Commissioner WEINSTOCK. Yes.

Mr. ROCKEFELLER, Jr. The \$50,000 which you speak of would go back into the property—if it went into the building of a new steel plant, or the development of a coal property, matters of that kind would properly be charged as this \$19,000,000 was charged—to capital—increased in capital value.

Commissioner WEINSTOCK. Surplus?

Mr. ROCKEFELLER, Jr. Well, that it would be transferred from surplus to capital. Surplus—the surplus earned in cash is either distributed in dividends or held as working capital, or put back into the development of the property, in which latter instance, if it is used in permanent development of the industry or in the erecting of a plant and not in the payment of wages, then it would be properly charged to capital.

Commissioner WEINSTOCK. Well, now, I am afraid I have not got this quite. Let me try and illustrate in a very simple way. You have a thousand dollars' worth of assets that represent the investment, and that thousand dollars earns, say, \$500 the following year; \$250 of that \$500 is paid out in interest on bonds or dividends to stockholders. There is a balance of \$250 that is used for improvement. The thousand dollars of assets, then, are worth \$1,250 in place of that \$1,000. That is clear?

Mr. ROCKEFELLER, Jr. If it is put into permanent improvement.

Commissioner WEINSTOCK. Now, what is paid out? What is there to offset that added investment to balance the account? Is \$250 of additional stock dividend issued for that \$250 put into the reserve fund? How do you balance the account; how do you deal with it?

Mr. ROCKEFELLER, Jr. Of course, it goes to increase the capital value. Stock might be issued against it, but it would not ordinarily be done unless there was some necessity for issuing additional stock.

Commissioner WEINSTOCK. Otherwise you see your balance sheet would read: Paid-up capital, \$1,000; assets, \$1,250; surplus, \$250.

Mr. ROCKEFELLER, Jr. That is a matter of bookkeeping that I am rather stupid about, Mr. Weinstock; I don't know that I can explain it to you.

Commissioner WEINSTOCK. Ordinarily that would be charged either to surplus account, or there would be treasury stock issued in the nature of a stock dividend to offset it?

Mr. ROCKEFELLER, Jr. Well, I am sure we have not had the latter. I am desirous of making it perfectly clear, but it is a matter that I do not understand myself about the bookkeeping there.

Chairman WALSH. The dividend that was collected by your father, that was spoken of, was not  $3\frac{1}{4}$  per cent, of course, of the value of the property, but  $3\frac{1}{4}$  per cent of the par value of the shares or of the security?

Mr. ROCKEFELLER, Jr. You see, Mr. Chairman, in order not to cause misapprehension I have made two statements there with reference to the return from the investment. The first was that on the stocks which he held, common and preferred, he received during the period of 12 years when \$92,000,000 was paid in wages, my father received in a single dividend on that stock \$371,000 as representing the return to him on the stock which he held.

Chairman WALSH. Whatever the percentage was, however, he received it on the par value. It was based upon the par value of the stock?

Mr. ROCKEFELLER, Jr. That would figure a return on the money, \$6,000,000, which he invested in the stock, of two-thirds of 1 per cent. That is the return he got on the stock.

Chairman WALSH. On the par value of the stock?

Mr. ROCKEFELLER, Jr. No; on the money he paid for the stock, \$6,000,000, as stated. That was the return he got on his money. You take your money

to the savings bank and you get 3½ or 4 per cent on your money. My father put into the stock of this company certain moneys amounting to \$6,000,000, and he got out two-thirds of 1 per cent on that money. Now, then, that is his return on his stock investment. Then he had a bond investment. He loaned money to the company by taking bonds, as any bondholder does. He received interest on those bonds. After having stated that his return on the stock was two-thirds of 1 per cent per annum, I put the stocks and the bond investment together and said, assuming that he may have invested in the property \$10,000,000 or \$15,000,000 in the stocks and bonds, the entire return on the actual cash he had put into the property has represented 3½ per cent per annum. That is the return he has gotten on the money—the actual cash which he has invested in the company—in its stocks and bonds. Do I make that clear, Mr. Chairman?

Chairman WALSH. You make it very clear to me and straighten out a little error I was falling into.

Commissioner WEINSTOCK. If I may be permitted I wish to make just one point clearer.

Chairman WALSH. Yes.

Commissioner WEINSTOCK. In other words, this 3½ per cent has been paid on the money actually loaned and the original investment in the stock?

Mr. ROCKEFELLER, Jr. Yes, sir.

Commissioner WEINSTOCK. It has not been paid on any watered stock?

Mr. ROCKEFELLER, Jr. No. My father put into the property certain cash, a certain amount of money, and he has gotten out in the 12 years an average return on the cash of 3½ per cent per annum, quite irrespective of par or of the value of the property or anything. In other words, he has gotten a little less than he would if he had put that same amount in a savings bank.

Chairman WALSH. We will proceed now.

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Just picking up one proposition for the moment; you say there have been increases in wages twice within a given length of time in those industries?

Mr. ROCKEFELLER, Jr. Yes. I did not mean to cover the whole situation, because I do not recall that; but I did have in mind that, I think it was in 1913, there was an increase in wages made to the coal miners of \$350,000, and to the steel operatives of \$200,000, making a total increase in that year of \$550,000, a total permanent increase. Now, I may have those two figures reversed as to their application—

Chairman WALSH. Well, that does not affect the general question I was going to ask you. Was there also an increase during the same time in the prices of coal and steel or of both to the consumer?

Mr. ROCKEFELLER, Jr. Well, that I do not recall, Mr. Chairman; but if there was, may I add that it was not sufficient to make any earnings on the property.

Chairman WALSH. Now, I will ask you if you recall the following statements made in the report of 1909 by Mr. Bowers, your chairman, and the other gentleman that I have mentioned, to the stockholders. Now, that we have left the question, I believe, clearly stated, clearly cut as to the valuation of stocks and the valuation of bonds—

“Since the entries made on the books during the past 25 years the iron industry has developed to enormous proportions, and iron ore properties are considered among the most valuable minerals in the United States. The development of your coal and coke properties during the same period of years shows a large increase in tonnage over former estimates. The large acreage of undeveloped coal lands warrants their being appraised at many millions more than the old book valuations. They are valuable assets for the coal operations alone, and a very important one in connection with the iron industry. We have for reasons above stated, proceeded to have valuations made without reference to the almost worthless entries made on the books so many years ago and under conditions that have entirely changed between 1880 and 1909. While the old valuations have been in most instances increased we have cut down and wiped out for depreciation and for poor, abandoned coal mines a very large amount; the estimated value of these properties by experts is more than that now placed upon them, and is submitted herewith. We present this new appraisal of the properties you own based upon what your executive officers believe to be a conservative and proper valuation in 1909.”

Do you recall this report being made and signed by L. M. Bowers, chairman; J. F. Welborn, president; F. T. Gates, vice president; J. A. Writer, auditor; and Joseph Chilberg, sales manager?

Mr. ROCKEFELLER, Jr. I recall the general appraisal of the properties, which was only correct in accordance with good business usage.

Chairman WALSH. Has there been any appraisal of the property since 1909?

Mr. ROCKEFELLER, Jr. I don't recall; there may have been.

Chairman WALSH. Have or have not those properties appreciated in value according to the estimates made by your own experts, since 1909, in the sum of \$3,500,000?

Mr. ROCKEFELLER, Jr. I don't know whether they have or not, Mr. Chairman.

Chairman WALSH. Do you recall that in the statement submitted to the congressional committee that inquired into the Colorado situation that the total liabilities of the Colorado Fuel & Iron Co. was given as \$80,383,000, and that the excess of assets over liabilities of that company given at that time was \$22,827,645?

Mr. ROCKEFELLER, Jr. I do not recall that.

Chairman WALSH. You do not recall?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Did you in person furnish those figures or supervise them or check them up before they were sent in to the congressional committee?

Mr. ROCKEFELLER, Jr. Do you refer to testimony that was taken by the congressional committee in Denver?

Chairman WALSH. Yes; in Denver.

Mr. ROCKEFELLER, Jr. Why, I would not have anything to do with that.

Chairman WALSH. Did you submit certain reports to the congressional committee at Washington during the time of the hearings there on the Colorado situation, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. Did I personally submit reports?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. I had with me a report of the Colorado Fuel & Iron Co., the last annual report, to facilitate my answering any questions that might be raised. Whether I left the copy with the commission or not I do not recall. Very possibly I did.

Chairman WALSH. Mr. Manly calls my attention to the statement in the congressional report that the annual report of the Colorado Fuel & Iron Co., submitted by Mr. Rockefeller, was as follows—

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Of course, if you did that, you secured that at the offices of the company at the hands of those who had charge of those things, and submitted it as the report of the company?

Mr. ROCKEFELLER, Jr. It was one of the reports we have in our office as submitted from year to year, and so I took it down with me, as I stated.

Chairman WALSH. Did you furnish any other reports to the congressional committee, as you recall, at that time?

Mr. ROCKEFELLER, Jr. I don't recollect that any others were asked for.

Chairman WALSH. Where an investment is made in securities, either for the personal account of Mr. Rockefeller or in his benefactions, is any inquiry made to determine whether or not the conditions in such corporations are those which would measure up to the standards which Mr. Rockefeller has set out, and which I read to you, if you recall, from his Random Reminiscences?

Mr. ROCKEFELLER, Jr. Of course, in the current investment, Mr. Chairman, of a sum of money here and a sum of money there, which may be made to-day, and a year hence, when conditions differ, may be parted with, where the investment is small in proportion to the total capital of the company, it would hardly be possible for my father or his representatives to go into the details of the management. Wherever my father's interest is large enough—is conspicuously large—is materially large—such questions would come up.

Chairman WALSH. At this point, Mr. Rockefeller, we will adjourn until 2 o'clock. Kindly resume the stand at 2 o'clock.

(Thereupon, at 12.30 o'clock of this Monday, January 25, 1915, a recess was taken until 2 o'clock p. m.)

AFTERNOON SESSION—2 P. M.

Chairman WALSH. Will the house please be in as perfect order as possible? You may resume the stand, Mr. Rockefeller.

TESTIMONY OF MR. JOHN D. ROCKEFELLER, JR.—Continued.

Chairman WALSH. I have been asked to ask a little more specifically about the investment of your father in the Colorado Fuel & Iron Co. What was the total amount which he invested in stocks and bonds of that company in money?

Mr. ROCKEFELLER, Jr. I find, Mr. Chairman, that the total investment, the actual cash that he had put into the stocks and bonds up to date amount to \$24,109,818, and that investment at the present market prices is now worth \$19,200,189. In other words, my father would have been \$4,909,629 better off if he had locked his money up in a savings bank so far as the present value of those securities is concerned, as related to the money originally put in.

Chairman WALSH. How much of the \$24,000,000 was represented by stocks and how much by bonds.

Mr. ROCKEFELLER, Jr. I have not that on this statement; but the statement which I made this morning indicated that six millions was the amount in stock, and I presume the balance is made up in the bonds.

Chairman WALSH. And what interest do the bonds bear?

Mr. ROCKEFELLER, Jr. I think 5 per cent.

Chairman WALSH. Does he own any bonds in the Colorado Fuel & Iron Co. that bear 6 per cent?

Mr. ROCKEFELLER, Jr. I have no list of them except those bonds I read this morning from this testimony in Washington, which shows the different mortgages. There are several I see here that pay 6 per cent.

Chairman WALSH. How much in amount, please?

Mr. ROCKEFELLER, Jr. I do not believe I can—yes; I think I have that here. General mortgage 5 per cent bonds, \$376,000, par value [reading from a printed copy of his testimony before subcommittee of the Committee on Mines and Mining of House of Representatives, taken in Washington, April 6, 1914]. Colorado industrial 5 per cent bonds, \$14,550,000 par value.

Chairman WALSH. Has the company, the Colorado Fuel & Iron Co., ever defaulted in payment of interest upon its bonds?

Mr. ROCKEFELLER, Jr. Not that I recall, Mr. Chairman.

Chairman WALSH. I will get back to the questions that we were on before luncheon. I believe your answer was that where investments were made in securities, in comparatively small amounts, there was no inquiry made to determine labor conditions in the inquiry?

Mr. ROCKEFELLER, Jr. Investments which were made to-day and next year might be parted with.

Chairman WALSH. When an investment has been made by your group in securities to the extent—I will ask you first, what is the extent of your holdings in the Colorado Fuel & Iron Co.? What per cent does it bear to the whole?

Mr. ROCKEFELLER, Jr. Forty per cent, I think, in stocks and bonds.

Chairman WALSH. Does that give you the control of the corporation?

Mr. ROCKEFELLER, Jr. Well, it does not give stock control, but, of course, as I stated this morning, any large stockholder has an important influence. Stock control would be 51 per cent, I presume.

Chairman WALSH. Yes; does the 40 per cent give you absolute control over the affairs of the company?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. I do not mean absolute legal control; but does it, as an absolute fact, give you absolute control, your 40 per cent, in the selection of the executive officers, and a potential power to dictate its policies?

Mr. ROCKEFELLER, Jr. What the potential power is you can judge as well as I. We have never attempted to dictate the policy, or put any particular policy through.

Chairman WALSH. What is your idea of that—could you, if you desired, do that with 40 per cent of the stock?

Mr. ROCKEFELLER, Jr. I presume if the stockholders and directors were convinced of the wisdom of any policy suggested by the officers, the fact that we favored it would not make it more difficult to get it through, or to gain their consent.



Chairman WALSH. Have you observed the relative percentage, as to the total percentage, of the holdings of all of the coal industry in the State of Colorado, held by the three companies—the Colorado Fuel & Iron Co., the Victor-American, and the Rocky Mountain Fuel Co.?

Mr. ROCKEFELLER, Jr. No; I do not know the relative percentage.

Chairman WALSH. Have you observed the statements made by the officers of those companies, that those three companies owned sixty-six and some fraction of per cent of all of the coal properties in Colorado?

Mr. ROCKEFELLER, Jr. If I have seen it, it has not remained in my mind, Mr. Chairman.

Chairman WALSH. When an investment is made by you in securities which give you potential control—power to control an industry, either for the personal account of Mr. Rockefeller or any of his benefactions, is any inquiry made to determine whether or not the conditions in such corporations are those which measure up to the standard Mr. Rockefeller has set?

Mr. ROCKEFELLER, Jr. Mr. Chairman, that question of potential control is a very nebulous one. I presume in some corporations if we had five shares it might be that the other stockholders would say, "Here are people that have had business experience and seem successful." They might say they would follow our judgment. In other companies it might be quite the opposite, and I do not feel that I could make any definite statement. I think you can see how difficult it would be to make any definite statement in answer to that question.

Chairman WALSH. Please indicate any industry in which an investment has been made in securities, either for the personal account of Mr. Rockefeller or any of his benefactions, in which inquiry was made to determine whether or not the conditions in such corporations are those which measure up to the standard which Mr. Rockefeller set.

Mr. ROCKEFELLER, Jr. If I may speak first with reference to these several foundations, most of the present investments held by those foundations remain in the same form in which they were received. There have come due certain securities—certain securities have been sold and reinvestment of such sums has been made; income also has been invested. The investments have been made in blocks of from \$100,000 to \$500,000—too small an interest to justify the holders of the securities in undertaking to go into the details of the management of the companies. In such instances where my father's interest has been such as to justify, in his mind, his having a personal representative as a director, those are the instances in which the questions of conditions would be more likely to arise.

Chairman WALSH. Please name those companies, then.

Mr. ROCKEFELLER, Jr. The only company outside the Colorado Fuel & Iron Co. which I can at the moment think of in which my father has a substantial interest is the Western Maryland Railroad, and he has had two representatives on that board who have considered, in their current executive committee meetings with the officers, the different questions coming up requiring attention. I am not a member of that board or executive committee and I could not say definitely what steps have been taken to inquire into the various conditions of that company.

Chairman WALSH. Does that answer apply likewise to the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. No; because I have been a director there, and with my associates we have taken such steps as were thought necessary to keep us informed. We have made suggestions as seemed to us appropriate and in the discharge of our proper duty and responsibility as directors. And the correspondence, Mr. Chairman, which was brought out in Colorado by this commission, had between the officers of the Colorado Fuel & Iron Co. and my father's representatives, as referred to before in my statement this morning, would indicate quite fully the personal interest which we had taken—the inquiries we had made and the suggestions we have made.

Chairman WALSH. Do the gentlemen to whom you have referred—the gentlemen you have named as members of your father's business staff—have a vote in the determination of business policies and of the conduct of your father's business, or are they merely acting in an advisory capacity?

Mr. ROCKEFELLER, Jr. Mr. Chairman, in our office family we do not arrive at conclusions by vote. We discuss matters and come to an agreement; no votes are taken or recorded. It is as if my father and his several sons, or close associates, were discussing interests which they are all associated together in caring for. There has been no formal action taken there.

Chairman WALSH. Who of those four gentlemen you have named finally pass on a business question?

Mr. ROCKEFELLER, Jr. Quite usually we all may pass on it. Quite often one of my father's representatives devotes more time to a certain line of investment, and another to another. We are apt to divide up in that way in some part, but we are all subject to call for conference at the request of anyone on any subject which each may have specially in charge.

Chairman WALSH. Do you recall any disagreement between the four as to any large investment in property, for instance?

Mr. ROCKEFELLER, Jr. Mr. Chairman, the gentlemen whom I have mentioned do not necessarily act in concert in regard to investments for my father. They simply pass on such investments as any one of us may bring up, or answer such questions as my father may ask in his desire to get information.

Chairman WALSH. Does or does not your father finally have the exercising—the final disposition of all matters that come before you?

Mr. ROCKEFELLER, Jr. That is a pretty general term, Mr. Chairman, and I could not say yes or no to that. In matters of investment my father usually—as to whether to buy these bonds or those bonds he expects some of us in the office, his representatives, to make a study of the merits of the investment and make some recommendation. He is quite apt to act on the recommendation, but he knows what funds he may wish to invest at the time—as we may not know—and he simply seeks our suggestions and acts on them, so far as the making of specific investments is concerned, when other conditions may make it seem wise to him to so act.

Chairman WALSH. As to the question whether or not funds will be paid out, in the matter of finally deciding to make the investment the word is uttered that pays out the funds by your father—he controls that? Is that correct?

Mr. ROCKEFELLER, Jr. He directs the making of his own investments, availing of any advice he may get from any source from which he may desire to seek it. When you say "control" it should not be understood as meaning managerial control, because my father for many years has not been in active business, not desiring to be tied down by any such matters, and having long since left those matters to those whom he may appoint to represent him. He takes no responsibility whatever along managerial lines.

Chairman WALSH. There is no vote taken, I believe you said, by those advisers; there is no requirement for agreement between your father and his advisers with reference to the investment of his own money? Is that the idea?

Mr. ROCKEFELLER, Jr. That is correct, when it comes to the final investment.

Chairman WALSH. After the information is received and advice taken, of course your father separates himself from his own funds in that way?

Mr. ROCKEFELLER, Jr. I do not quite get the bearing of that expression, "separates himself from his own funds."

Chairman WALSH. He finally orders the money taken and invested in the security?

Mr. ROCKEFELLER, Jr. He says to whatever clerk or representative may be the one, "Buy 100,000 of those bonds."

Chairman WALSH. In which of the corporations in which you are interested, either directly or as a representative, have there been strikes or other symptoms of industrial unrest during the past five years?

Mr. ROCKEFELLER, Jr. I do not recall any at the moment except the Colorado Fuel & Iron Co.

Chairman WALSH. Did you have any in any of these other concerns you have mentioned, that you can recall, in the last five years?

Mr. ROCKEFELLER, Jr. That I am now related to?

Chairman WALSH. That you have been related to in the past five years, the American Linseed Co., or any of the railroad companies?

Mr. ROCKEFELLER, Jr. I do not recall any strikes in the Linseed Co. There was, I think, a strike in which the employees of the Delaware, Lackawanna & Western, with other railroads, were involved a few years ago—I think so.

Chairman WALSH. What action, if any, was taken by you in regard to the strike on the Delaware & Lackawanna road?

Mr. ROCKEFELLER, Jr. I think that the board, in line with the generally accepted policy, which I have outlined at some length, never was called upon to pass upon the questions of the strike. The board or boards of the corporations with which I have been connected have felt that those were matters, as I have

stated, which the executive officers familiar with all of the details of the business on the spot were better fitted to deal with, and they have dealt with them so far as my experience has gone.

Chairman WALSH. In the corporations in which you are interested—I will limit it to the Colorado Fuel & Iron Co. in this question—in the case of the Colorado Fuel & Iron Co., what person or persons are held primarily responsible for the labor conditions which exist in that corporation?

Mr. ROCKEFELLER, Jr. The various executive committee officers.

Chairman WALSH. Please name those whom you say are primarily responsible in your organization, in the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. It is not "our" organization. It is an organization which we found. The president and chairman of the board are of course the two leading executive officers. What authority they may delegate in such matters to those who cooperate with them I am unable to state, but our knowledge of the situation and our information has come from one of those two officers.

Chairman WALSH. Mr. L. M. Bowers and Mr. J. F. Welborn are the names of those two officers?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Have you any knowledge yourself of any other executive official who is responsible for labor conditions in the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I would not know, Mr. Chairman, what other official.

Chairman WALSH. You have no knowledge other than of those two?

Mr. ROCKEFELLER, Jr. I would not be in a way to know.

Chairman WALSH. What scope of authority is given to Mr. Welborn and to Mr. Bowers to establish and maintain proper labor conditions in the industry in Colorado and Wyoming?

Mr. ROCKEFELLER, Jr. Just such scope as is customarily given to all executive officers in so far as I know, under, always, the board of directors who, as I have stated, assume the responsibility for the management of the company.

Chairman WALSH. Do you give them specific instructions with regard to the conditions that they should maintain, so far as their employees are concerned?

Mr. ROCKEFELLER, Jr. Those gentlemen were selected, Mr. Chairman, and I fancy other men filling as important positions, because they have expert knowledge and familiarity with just such matters. Specific instructions are not given, nor would the board expect to undertake to dictate to the officers whom it selects with care, whom it trusts, how they should handle such a problem, or any other of the administrative problems which develop in the conduct of the business.

Chairman WALSH. Do you give such officials equal scope without a specific recommendation and accounting in financial matters?

Mr. ROCKEFELLER, Jr. As pointed out in my statement this morning, Mr. Chairman, the financial policies are more usually dealt with by the board of directors.

Chairman WALSH. I am asking you in the specific case, Mr. Rockefeller, of the Colorado Fuel & Iron Co., if the executive officials are given equal scope without specific instructions or accounting in financial matters as to that which they are given in the matter of the welfare of their employees and the labor conditions in the industry?

Mr. ROCKEFELLER, Jr. The question of financing the company is one which would come before the board of directors. But after the financial policy has been established by the board the officers have full scope in conducting the business along the lines of those financial policies. If there is a question of a large additional expenditure, that properly would be brought, as is customary, to a board of directors for consideration.

Chairman WALSH. Is that true also with reference to labor conditions in the company—that you lay out a general plan and that the local executives are supposed to adhere to that plan?

Mr. ROCKEFELLER, Jr. It is not true, Mr. Chairman, because the directors of a company are usually men who are more familiar with financial policies than with the practical questions of the administration of the business, and of necessity they select as the executive officers of the company men who are competent to deal with the latter questions.

Chairman WALSH. If executive officials are found to maintain or operate under improper financial conditions, what action would be taken?

Mr. ROCKEFELLER, Jr. If executive officials are found, in the judgment of the board, not to be properly fulfilling the trust which has been imposed in them

along whatever lines, it would be the duty of the board to take the matter up with the executive officials. If the situation could not be remedied, to replace them; but so long as the board has reason to trust the integrity and the ability of the executive officers which it has selected it is customary and appropriate, it seems to me, that they should be given that authority which is necessary if they are going to be given the responsibility.

Chairman WALSH. If the executive officials should be found to maintain improper labor conditions, what actions would be taken?

Mr. ROCKEFELLER, Jr. I think I have covered that, Mr. Chairman, by saying that wherever executives are found to be doing what in the judgment of the directors was not best the directors would find it their duty to take such questions up and remedy them or change the officials.

Chairman WALSH. So that the responsibility finally, you think, should be the same in the operations of the executive officials whether it refers to finance or maintaining proper conditions for the workers in the industry?

Mr. ROCKEFELLER, Jr. I think the responsibility of the directors covers all of the things which the executive officers do, and they must take the final responsibility. But, as I have pointed out, in the organization of large business there must be a subdivision of the various large questions that come up, and it is customary for the executive officers to have charge of the administrative questions of the business, including the questions of labor.

Chairman WALSH. As a matter of fact, in the actual operation of these corporations are not labor conditions the only matters under the control of the executive officials which are not subject to a close audit and check of some kind?

Mr. ROCKEFELLER, Jr. So far as I know, Mr. Chairman, the general financial policies are the only ones which come under the close supervision of a board of directors—quite the contrary from your suggestion.

Chairman WALSH. Well, I was not endeavoring to make a suggestion; I was endeavoring to ask a question—if it is not a fact that labor conditions are the only matters under the control of executive officials which are not subject to an audit or check of some kind?

Mr. ROCKEFELLER, Jr. My answer would be, I think there are very many such conditions; practically all, excepting the larger financial policies.

Chairman WALSH. In which of the corporations in which you are interested either directly or as representative are the employees organized?

Mr. ROCKEFELLER, Jr. I suppose that the employees of the Manhattan Railroad Co. are organized, but I am not sure about that, because, as I have stated, the Manhattan Railroad is operated by the Interborough. The directors of the Manhattan Railroad are charged only with the duty of seeing that the terms of the lease are lived up to. They have nothing to do with the operation of the company. Therefore I should not be able to state that. In the insurance company with which I am related I suppose the questions of labor organizations or the lack of affiliation with them would not arise. In the Colorado Fuel & Iron Co. the situation is, as I am told, that the large majority of the men who have worked there are nonunion men, although union men also work there, as they see fit.

Chairman WALSH. Did you, after the declaration of the strike in the Colorado Fuel & Iron Co., take up with Mr. Welborn and Mr. Bowers the alleged causes for the strike and the details of the controversy?

Mr. ROCKEFELLER, Jr. As stated in my statement this morning, Mr. Chairman, the executive officers, in line with the responsibility imposed upon them, had decided the question of recognition or nonrecognition of the union without conference and without our knowledge.

Chairman WALSH. Was it afterwards submitted to you by those officers?

Mr. ROCKEFELLER, Jr. It was simply stated to us as a matter of information in connection with the current information regarding the conditions of the business that came to us from time to time.

Chairman WALSH. It seems that the strike was called, if I remember correctly, on September 23, 1913?

Mr. ROCKEFELLER, Jr. About that time.

Chairman WALSH. About that time; and when, with reference to that time, did Mr. Bowers or Mr. Welborn, or both, report to you or to the other directors in connection with you, that the fight was over the recognition of the union and the other details of complaint?

Mr. ROCKEFELLER, Jr. The correspondence which you asked for this morning, and which I have not been able yet to secure, will show that. My memory would not enable me to name the dates.

Chairman WALSH. Could you approximate how shortly it was after the strike was called?

Mr. ROCKEFELLER, Jr. I should say it was within a few days, or a couple of weeks, surely.

Chairman WALSH. Do you think, Mr. Rockefeller, aside from the legal power that is given by the ownership of stocks and bonds or your representation upon the directory, that your group in New York does have a great influence upon the local executives in Colorado?

Mr. ROCKEFELLER, Jr. That would be rather a difficult question to answer, Mr. Chairman. With reference to this particular matter, as I have stated, the officers had determined what their attitude would be with reference to this matter of the strike before we were even advised of it. They announced to us their decision.

Chairman WALSH. There were certain occurrences that were called to your attention in Colorado of a disturbing character, violence on both sides, was there not, after the strike was instituted September 23, and through that fall and winter and into the next summer, the summer of 1914?

Mr. ROCKEFELLER, Jr. Most regrettable occurrences were taking place.

Chairman WALSH. And you were kept advised from time to time as to what took place?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Do you recall receiving a letter from Mr. Welborn dated July 27, 1914, a copy of which has been submitted at Denver, which contains these words:

"My health has never been better than during the past year, and I am hardly conscious of any strain. The knowledge that we have your confidence and support makes everything else easy."

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. I didn't get your answer.

Mr. ROCKEFELLER, Jr. You asked if I recalled receiving such a letter from Mr. Welborn.

Chairman WALSH. Yes; from Mr. Welborn.

Mr. ROCKEFELLER, Jr. I do.

Chairman WALSH. Now, you stated in general terms in answer to the question submitted to you, your personal attitude toward the organization of employees for their protection and the advancement of their interest. I do not wish to quote you. I would like you to briefly state what your personal position is.

Mr. ROCKEFELLER, Jr. May I read that portion of my written statement? I made it just as brief and inclusive as possible.

Chairman WALSH. I wish you would.

Mr. ROCKEFELLER, Jr. With reference to my attitude toward labor unions—I think that is the passage.

Chairman WALSH. That is it.

Mr. ROCKEFELLER, Jr. (reading):

"I believe it to be just as proper and advantageous for labor to associate itself into organized groups for the advancement of its legitimate interests as for capital to combine for the same object. Such associations of labor manifest themselves in promoting collective bargaining, in an effort to secure better working and living conditions, in providing machinery whereby grievances may be easily and without prejudice to the individual be taken up with the management. Sometimes they provide benefit features, sometimes they seek to increase wages; but whatever their specific purpose, so long as it is to promote the well-being of the employees, having always due regard for the just interests of the employer and the public, leaving every worker free to associate himself with such groups or to work independently, as he may choose—I favor them most heartily."

Chairman WALSH. Do you believe that such organizations should be created and maintained democratically; that is, that the men should have a right to get up the organizations themselves without any influence upon the part of the employer, and conduct them as they see fit, of course, within the limits of the laws of the land?

Mr. ROCKEFELLER, Jr. I believe fully in the principle of democracy and of freedom, Mr. Walsh, in every relation in life where it does not infringe on the rights, as I have stated, of others who are interested.

Chairman WALSH. Then your answer to my question would be yes. I am trying to be as specific as possible.

Mr. ROCKEFELLER, Jr. Yes, sir; but it is rather difficult for me to be specific in that, because so much depends upon specific instances, Mr. Chairman; but generally, I should say, of course, that labor should be free to take such steps in its own interests as are compatible with the interests of the public and of capital.

Chairman WALSH. From your experience in industry and from your duties as a citizen and a philanthropist, do you believe that men ought to organize into labor organizations and that it is necessary for them to do so to protect themselves?

Mr. ROCKEFELLER, Jr. My experience, Mr. Chairman, in that respect, has been very limited. I have never had the personal handling of labor questions. My study has not been as deep as that of many. I have had such matters before me, but beyond making what I have tried to have a very complete statement of my position I do not feel sufficiently qualified to discuss intelligently and usefully the details relating to the matter.

Chairman WALSH. I was not asking you for a detail, or else I did not make myself clear. I was asking you, from your experience in industry and your studies, do you believe that workmen ought to organize into unions for the purpose of protecting themselves?

Mr. ROCKEFELLER, Jr. But you say, from my experience, and I have had no experience.

Chairman WALSH. From your studies?

Mr. ROCKEFELLER, Jr. And my studies have been so limited as not to enable me to speak with authority; but I should say, generally, that if workmen find their interests are best served by organization, they certainly should organize just as much as capital. At the same time, as I pointed out here, they should be equally free to organize or not to organize, as they see fit.

Chairman WALSH. Well, after the workmen in an industry have organized a union of reasonably large proportions as relate to the whole number engaged in the industry, and if a situation should arise like this—I had better specify it—Mr. Berwind has testified here that in his coal operations he does not deal with any union, but that nevertheless the price per ton for coal mined is that price which is fixed from time to time by the unions in those industries which are organized. If that is true, have you observed sufficiently the operations of unions in industry to say, as a matter of equity, whether or not a person—an individual—should have the benefit of such economic conditions without bearing his share of the expense?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I have desired, as I am sure you have seen, to answer your questions as directly and as much to the point as possible; but my lack of experience in these matters as contrasted with that of Mr. Berwind and many others of the gentlemen who have testified here make it impossible for me to express an opinion that would be of any value.

Chairman WALSH. Do you believe it would be a useful and proper study for directors in large corporations that have influence in very great basic industries to make a study of what might be called the underlying philosophy of trade-unionism and organizations of workmen and the like?

Mr. ROCKEFELLER, Jr. I think it would be a very profitable study for any man interested in his fellow men to make, so far as he can.

Chairman WALSH. How would that apply, then, to the question I asked you?

Mr. ROCKEFELLER, Jr. Well, it would apply in so far as one was able and could, Mr. Chairman.

Chairman WALSH. Do you believe that a director in a company operating in a great basic industry, employing many thousands of men, should make no deeper study into the underlying philosophy of organization—trade-union organization—than any other patriotic citizen studying out what might be for the welfare of mankind?

Mr. ROCKEFELLER, Jr. If, as I assume, Mr. Chairman, your question has relation to my connection with the Colorado Fuel & Iron Co.—and that is the only industry in which I have had any opportunity for touch with those questions—

Chairman WALSH. Well, do you not think you ought to study it, then?

Mr. ROCKEFELLER, Jr. I was about to say that because I felt it was so grave and important a matter it was for that very reason that I urged upon my colleagues in the Rockefeller Foundation to undertake just such a study, because I felt my own lack of knowledge on the subject and because I felt there was much that could be gathered by a careful, thorough study.

Chairman WALSH. Well, what about a study by yourself into the underlying philosophy of trade organizations and their benefit or lack of benefit to the workers growing out of the vote that you had as a director in the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. There are many studies of economic and social questions, Mr. Chairman, which I should be very glad, if I had the opportunity and ability, to make. I have not the opportunity and I have not the ability to study into questions that men who are more particularly trained in those lines of work have; and the layman finds himself usually under the necessity of turning to those whom he regards as most competent to make such studies. I have hoped that through the foundation, coming in touch with Mr. Mackenzie King, as you know, it might be possible to get just such light as you are referring to, for I see the great necessity for it and feel my own ignorance in regard to it.

Chairman WALSH. What is your attitude toward permitting union organizers who are not employed by your corporation to address employees and otherwise carry on their work without interference?

Mr. ROCKEFELLER, Jr. I have never had occasion to take any attitude on that subject, because, as I have pointed out, it is a matter which has been left with the executive officers.

Chairman WALSH. Do you think that union organizers ought to be allowed to address your employees and otherwise carry on their work without interference?

Mr. ROCKEFELLER, Jr. There, again, Mr. Chairman, you are inquiring in a field in which I regret to say I have no opinion of any value. I have not been able to study the question.

Chairman WALSH. Do you think it is to the benefit of mankind for workmen to be organized, as you say it is for men to band themselves together in corporations? Is the question of education along those lines not a very important one?

Mr. ROCKEFELLER, Jr. To whom, Mr. Chairman?

Chairman WALSH. The education of those men on both sides as to the desirability or undesirability of belonging to such organizations as those of which you seem to give approval in your testimony.

Mr. ROCKEFELLER, Jr. I would not pretend to decide, Mr. Chairman, for other men, as to whether it was wise or unwise for them to associate themselves. My feeling is that the same freedom should be allowed to the workmen which is allowed to the capitalist to decide whether or not he wishes to be associated in his work with others or whether he wishes to work by himself.

Chairman WALSH. And in an orderly way you would acknowledge the right of any person claiming to have information upon the subject or views upon the subject to publicly give his views and to address them publicly to any person that might care to hear?

Mr. ROCKEFELLER, Jr. That is a question that has not come up in my experience, and I would not have a view on it.

Chairman WALSH. Do you believe in free speech?

Mr. ROCKEFELLER, Jr. I do.

Chairman WALSH. Will you explain to this commission as definitely as possible the principle of delegated authority under which you outlined in your testimony before the congressional committee, as follows:

"In these days, where interests are so diversified and numerous, of course, it would be impossible for any man to be personally responsible for all the management of the various concerns in which he might be a larger or smaller stockholders. It would be simply impossible to do that, and all that any man can do is to find the ablest men that he can find and put the responsibility squarely on that."

Mr. ROCKEFELLER, Jr. I do not know how to make that statement any clearer, Mr. Chairman. If you will ask me any specific question I shall be glad to answer it.

Mr. WALSH. I will proceed, and maybe it will illumine itself a little. Is it not a fact that Mr. John D. Rockefeller, sr., as owner of various properties, delegates his authority to the members of his personal staff, which in turn, are delegated to executive officials?

Mr. ROCKEFELLER, Jr. I do not know of any properties that my father is the owner of. He has interests in a number of properties. In so far as he has an interest which he thinks sufficient to justify his being represented on

the board of directors he so delegates any authority, any power, which would come to him as stockholder in the selection of directors.

Chairman WALSH. Do you see any analogy between this condition in industry and absolutism in political government?

Mr. ROCKEFELLER, Jr. I can not say that I do, Mr. Chairman.

Chairman WALSH. Is not this situation likely to develop the same abuses which history has shown to be the inevitable consequences of absolutism in political government?

Mr. ROCKEFELLER, Jr. That is an abstract question which I would not venture an opinion on, Mr. Chairman.

Chairman WALSH. Do you consider that the workers are justified in seeking to have a voice in determining the conditions under which they are employed?

Mr. ROCKEFELLER, Jr. I have stated I entirely believe that they are entitled to a voice.

Chairman WALSH. Do you consider that the workers are justified in seeking to secure an effective means of protest against such abuses as may arise?

Mr. ROCKEFELLER, Jr. I think they should have every means of access to the officers of the company, with reference to any matters of common interest which they may wish to take up.

Chairman WALSH. Collectively or individually?

Mr. ROCKEFELLER, Jr. As may seem best.

Chairman WALSH. As it may seem best to them?

Mr. ROCKEFELLER, Jr. To them.

Chairman WALSH. Are not abuses inevitable wherever unrestricted power exists?

Mr. ROCKEFELLER, Jr. I think, so long as we are all human beings, Mr. Chairman, there are bound to be abuses wherever we are associated.

Chairman WALSH. No person can be intrusted with arbitrary power; that is the experience of mankind, is it not?

Mr. ROCKEFELLER, Jr. Well, I would not venture an opinion; I would not venture to generalize on that. I think that power is something which needs to be used and assumed with great, great care, and with a great sense of personal responsibility. I believe that the people are the ones who should generally and always have the first power.

Chairman WALSH. And in industrial life the people would include every human being engaged in it, from the owner of the property to the humblest employee?

Mr. ROCKEFELLER, Jr. Of course, I do not think, Mr. Chairman, that the owner of any property would be properly expected to turn over the management of his property to others, although he might feel agreeable to so intrusting it, if that is the point you have in mind. I do not think you, if you had an interest, would want to have some one else—anyone whom I might appoint—care for your interest. You would feel that you had some responsibility as well as right to yourself select those who should have charge of your interest.

Chairman WALSH. Would you say that the man had a voice in the making of his own conditions in your industry unless there was some means of carrying it out, unless it was a compelling voice, either by agreement on the part of himself and the owners or by the weight of his own influence collectively with many others?

Mr. ROCKEFELLER, Jr. I think that every laboring man is entitled properly to such a voice. Just how it might be most in his interest in this case or in that to make his voice heard is a matter which I am not sufficiently familiar with to venture to suggest. But I have stated clearly that I think he has—believe he has such a right.

Chairman WALSH. If it is true that abuses appear inevitable wherever unrestricted power exists, how can the workingman be protected if the proposition is laid down and adhered to strictly that the owner of the industry can not be interfered with in the carrying on of his own business?

Mr. ROCKEFELLER, Jr. I do not, Mr. Chairman, feel myself competent to adequately deal with this subject. I have frankly admitted my lack of familiarity with it. And I have indicated that, believing it to be so very important, I have taken what steps I could to get further information. I should be glad to answer these questions more specifically, but, frankly, I do not feel competent to do so.



Chairman WALSH. Well, is there any person upon your board of directors who has made a special study of this subject, to whom you could refer this commission as a person who might be competent to answer that question?

Mr. ROCKEFELLER, Jr. The one whom we have selected in the foundation, Mr. Chairman, to answer such questions, to give such information as is possible, is Mr. Mackenzie King.

Chairman WALSH. Is he a director of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. He is not.

Chairman WALSH. I understand—just going to the foundation for a moment—that the study that Mr. Mackenzie King is making may take very many years to conclude?

Mr. ROCKEFELLER, Jr. I think it would be highly probable that, in dealing with any problem so vast and so important as that one, one could only hope to make progress very slowly, and that it would take many years. I do not suppose coming generations will solve the problem which the past generations have not succeeded in solving.

Chairman WALSH. Well, under the existing conditions in Colorado and Wyoming, do you not think it might be well, aside from the general study that may run through the generations, for some director or directors to study the underlying principles or philosophies in trade-unionism or the extension of the power to employees to have a compelling voice in the conditions of their own labor?

Mr. ROCKEFELLER, Jr. I think, as I have stated, that it would be a desirable thing for any director in any company, where men are employed, to make such studies. It does not often happen that the directors or the executive officers can take the time to go into the deep philosophical questions, Mr. Chairman. That it is desirable for any man to make such studies is readily agreed.

Chairman WALSH. Are you only a director in three industrial companies?

Mr. ROCKEFELLER, Jr. I am a director in only the three companies that I have mentioned; one is a railroad company and one is an insurance company and the other is an industrial company.

Chairman WALSH. In the selection of executive officials to whom power is delegated have not mistakes been made, in your experience, and has not confidence at times been misplaced?

Mr. ROCKEFELLER, Jr. Far be it from me, Mr. Chairman, to claim infallibility. I make mistakes quite as frequently, and often much more frequently, than the other man. I recognize it frankly.

Chairman WALSH. Should the workers be subjected to suffering from the effects of misplaced confidence without having any effective means of protest to a higher official in the industry than these executive officials that you have just mentioned?

Mr. ROCKEFELLER, Jr. I do not see how it is possible for us to get perfect executives so long as there are not perfect human beings, Mr. Chairman. We have to get the best that we can find. We have to use as directors ourselves simply the best that we can find, and the same is true of the administrative officers.

Chairman WALSH. Mr. Langdon, will you please read that answer and see if it answers the question? If it does, I do not want to ask it again.

(Last preceding question read.)

Mr. ROCKEFELLER, Jr. I wish no one need be subject to mistakes because of misplaced confidence. But unfortunately the way we are constructed that is constantly happening, Mr. Chairman. I see no way of avoiding it other than to select the best material that can be gotten.

Chairman WALSH. Have you heard directly, and at first hand from any workers in the industry in Colorado, as to what they claim conditions should be in that industry?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Do you not think that it would be a wise thing to hear at first hand directly from the workers in the industry about claims as to any abuses which may have existed?

Mr. ROCKEFELLER, Jr. I have been hoping for some time, Mr. Chairman, that it might be possible for me to go to Colorado myself and come in closer touch with the employees and the managers of the company. I might, perhaps, have been there now if it had not been for this hearing. I am still hoping within the year to so make my plans that that will be possible.

Chairman WALSH. Had you expected to go to Colorado, Mr. Rockefeller, prior to the calling of this hearing?

Mr. ROCKEFELLER, Jr. I have been wanting to go to Colorado for a number of months, Mr. Chairman.

Chairman WALSH. Well, this hearing was first called, I believe, for the 19th of October, this general hearing?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. At which you were to be a witness. Did that stop your going to Colorado?

Mr. ROCKEFELLER, Jr. It did not seem to me that any good purpose could be served, Mr. Chairman, by my going to Colorado while the strike was on. I think you will agree to that. The strike was called off on December 10, and since about the middle of October, as you will recall, I have held myself at the disposition of the Industrial Relations Committee, to appear before it at its pleasure, and whenever I can arrange during the balance of the year to make such a trip that is my purpose.

Chairman WALSH. Well, do I understand that had you not been holding yourself subject to the call of this commission that you would have gone to Colorado after the strike was declared off and before the present day?

Mr. ROCKEFELLER, Jr. My purpose was to go as soon as I found that I could conveniently after the strike was called off. I had never set a date, but I had hoped to go at an early date. Other engagements, of course, would have to be considered.

Chairman WALSH. Can you conceive of effective protest against abuses in a large industry where it is without organization on the part of the employees?

Mr. ROCKEFELLER, Jr. There, again, Mr. Chairman, that is a practical question to which my lack of practical experience makes it impossible for me to reply.

Chairman WALSH. What had Mr. L. M. Bowers been before he became chairman of the board in Colorado?

Mr. ROCKEFELLER, Jr. Mr. Bowers had been for some years in charge of a fleet of ore-carrying steamers on Lake Erie. He was the executive head of that company.

Chairman WALSH. Did he deal with labor organizations in that company?

Mr. ROCKEFELLER, Jr. That I can not say, Mr. Chairman.

Chairman WALSH. What qualifications did Mr. Bowers have as an expert in handling labor problems?

Mr. ROCKEFELLER, Jr. He had handled labor in that relationship and in other private businesses of his own off and on all his life.

Chairman WALSH. Is there effective organization among working people without provision for financial support for the activities of the organization?

Mr. ROCKEFELLER, Jr. That question is a technical question which I am sorry to say I can not furnish a satisfactory reply to.

Chairman WALSH. Can a local organization in other lines of business be effective particularly where conditions in one location are dependent upon the activities of similar organizations in other localities?

Mr. ROCKEFELLER, Jr. That is simply a question, Mr. Chairman, that I am sorry not to be able to reply to.

Chairman WALSH. Can local organizations in any line of business be effective, particularly where conditions in one locality are dependent upon the activities of similar organizations in other localities?

Mr. ROCKEFELLER, Jr. I should call that a similar question, Mr. Chairman, that I am sorry not to be able to reply to.

Chairman WALSH. It is suggested by Mr. Manly and it appeals to me that that might be called a business proposition.

Mr. ROCKEFELLER, Jr. As I have stated, Mr. Chairman, my experience has not been in direct personal contact with labor questions, so that I have no first-hand experience or knowledge of those questions.

Chairman WALSH. But any business; is it not necessary for correlation and organization with other companies in order to get the best financial results and the best results for the business sought to be obtained by the corporation?

Mr. ROCKEFELLER, Jr. Is not what necessary?

Chairman WALSH. Organization.

Mr. ROCKEFELLER, Jr. I have stated—

Chairman WALSH. To companies and individuals.

Mr. ROCKEFELLER, Jr. I have stated, it seems to me, that the principle of organization for labor is entirely as applicable and appropriate as it is for capital; equally so.

Chairman WALSH. Do not business organizations regularly form associations for dealing with conditions which are common to all?

Mr. ROCKEFELLER, Jr. I do not know to what you refer, Mr. Chairman; I can not think of any.

Chairman WALSH. Well, I will repeat this: Did not the coal operators' association in Colorado include practically all of the operators in the State?

Mr. ROCKEFELLER, Jr. That it included a large per cent of the coal output of the State I presume is true; that it included practically all of the coal operators, company by company, I should say was probably not true. But I have not exact information.

Chairman WALSH. Could the oil business have been developed by small local corporations having no means of relation and communication with other companies? Was it not in itself a process of organization, development, and organization?

Mr. ROCKEFELLER, Jr. It seems to me, Mr. Chairman, that the principle of organization is one which the people in this country and the world are increasingly favoring and finding to be necessary.

Chairman WALSH. And that on a large or national basis in the big basic industries?

Mr. ROCKEFELLER, Jr. I think the prosperity of this country is being best conserved by large combinations in industries.

Chairman WALSH. Would or would not national organizations of employees be necessary both from a logical and practical standpoint?

Mr. ROCKEFELLER, Jr. There you are again getting into a technical question that I am sorry I have not the information with which to answer, Mr. Chairman.

Chairman WALSH. Well, in principle, could you not say, Mr. Rockefeller, that the national organization of employees was as necessary from the standpoint of logic as the national organization in any industry?

Mr. ROCKEFELLER, Jr. I know of no national organization of capital, Mr. Chairman, which would be an analogy.

Chairman WALSH. Not a complete analogy, perhaps, but take the oil companies, would you say that they had assumed national proportion? The steel company, would that not be one?

Mr. ROCKEFELLER, Jr. Well, it is true there are a number of steel industries related together in the larger steel companies to-day; that they are national in proportions I think would hardly be true.

Chairman WALSH. Should not the representatives of such organizations of employees be permitted to exercise their functions without interference or restriction so long as they use lawful means?

Mr. ROCKEFELLER, Jr. I am not able to deal with that question, Mr. Chairman.

Chairman WALSH. Specifically, should not organizers be permitted to visit employees, to hold public meetings, to distribute literature, and to collect views in such manner as the employees themselves may elect?

Mr. ROCKEFELLER, Jr. That is a question that I think would have to be answered by those who are familiar with the problems of employment. I could not answer it.

Chairman WALSH. Do the investments you have mentioned include all securities held by your father, yourself, Starr J. Murphy, and Mr. Jerome D. Greene, or yourself and those other joint holders of securities outside the amount you say is held by your father?

Mr. ROCKEFELLER, Jr. Investment in what particular company, Mr. Chairman?

Chairman WALSH. The Colorado Fuel & Iron Co.

Mr. ROCKEFELLER, Jr. I think that my father and myself are the only ones who have an investment in the fuel company, unless in some of the bonds—yes; some of the bonds were given by my father, I see here, to the General Educational Board, and some to the Rockefeller Institute for Medical Research. They were originally my father's holdings. When he made his several gifts to those various foundations they were usually made in securities, and the bonds of this company were given to these two boards, a block of them.

Chairman WALSH. For fear I have not made this perfectly plain to you, I am not going to ask your opinion, as a business man or as an expert upon industrial subjects or as one who has made a special study, but simply as a citizen: "Are not national organizations of employees necessary, both from a logical and practical standpoint?"

Mr. ROCKEFELLER, Jr. Mr. Chairman, I do not feel like trying to take a position on any so important a matter without having knowledge which would be adequate to back up such a position. Frankly, without any desire to avoid the question, I have not the knowledge, practical or theoretical, which would enable me to form an opinion on that matter.

Chairman WALSH. As a citizen, I ask you, should not the representatives of such organizations of employees be permitted to exercise their functions without interference or restriction so long as they use lawful means?

Mr. ROCKEFELLER, Jr. As a citizen it is a question with which I have never had experience, Mr. Chairman.

Chairman WALSH. Again asking you as a citizen specifically, should not organizers be permitted to visit employees, to hold public meetings, to distribute literature, and to collect dues in such manner as the employees themselves may elect, acting always strictly within the law?

Mr. ROCKEFELLER, Jr. As a citizen, again I must say I am unable to express an opinion on that subject.

Chairman WALSH. Have you any information with regard to the number of employees in the iron and steel work which possibly work 12 hours a day?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Do you know whether or not 50 per cent of such employees work 12 hours a day?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. Do you consider that 12 hours work in steel works in the rolling mills is a hardship to employees?

Mr. ROCKEFELLER, Jr. I am not familiar enough with the work to know.

Chairman WALSH. Do you know whether or not any efforts have been made by the Colorado Fuel & Iron Co. to reduce the number of employees which work 12 hours per day?

Mr. ROCKEFELLER, Jr. I know generally that their effort is to do everything that they can in the interest of the employees. More specifically I can not say.

Chairman WALSH. You could not describe any efforts that have been made by that company to reduce the number of employees who work 12 hours per day other than the statement you have just made?

Mr. ROCKEFELLER, Jr. I would not be in a position to have such specific knowledge.

Chairman WALSH. Do you know whether or not employees in the blast furnaces and a large proportion in the open-hearth department are employed seven days per week?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. Would you consider that a hardship if such was the case?

Mr. ROCKEFELLER, Jr. I think that any man who works seven days a week the year around would regard it as pretty hard work.

Chairman WALSH. What proportion would you divide that up in, anyway? Could a man work seven hours a day, in your opinion, for any portion of a year?

Mr. ROCKEFELLER, Jr. Seven hours a day?

Chairman WALSH. I mean seven days a week. You said if he did it all the year you would consider it a hardship. What portion of the year would you regard it a hardship to work seven days a week?

Mr. ROCKEFELLER, Jr. I regret to say that I often work seven days a week myself for considerable periods.

Chairman WALSH. I will change the question, then. What proportion of a year would you still say it was a hardship for a man, if he was required to work seven days a week in a blast furnace or open hearth?

Mr. ROCKEFELLER, Jr. Not being familiar with the character of the work, I would not be able to approximate an opinion.

Chairman WALSH. Did you see the blast furnace when you were out there in 1912?

Mr. ROCKEFELLER, Jr. I was not out there in 1912.

Chairman WALSH. Well, about 10 years ago?

Mr. ROCKEFELLER, Jr. I presume I must have seen them at work there.

Chairman WALSH. Do you recall whether or not you did see them at work at it or not?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Do you know the nature and character of the work that men do in blast furnaces?

Mr. ROCKEFELLER, Jr. No; I do not, except very generally.

Chairman WALSH. Do you know its effect upon a man so far as bodily fatigue is concerned?

Mr. ROCKEFELLER, Jr. No; I do not.

Chairman WALSH. Have you given consideration to the number of hours per day a man can work at laborious employment and maintain physical efficiency?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Have you made a study of the cost of living? What a living wage ought to be in the various States of the Union where you have large industrial holdings?

Mr. ROCKEFELLER, Jr. I have not, Mr. Chairman; I should think that would be a very interesting study, but I fancy that would be even a longer study than the effort to solve the industrial problems, but I have not had the opportunity nor have I the experience to fit me to undertake such a study.

Chairman WALSH. Did you have any personal correspondence with Mr. Bowers, with reference to the strike in Colorado, prior to September 23, 1913?

Mr. ROCKEFELLER, Jr. Our office, Mr. Chairman—the several of us there—have been in correspondence with the officers of the Colorado Fuel & Iron Co. always, and matters have currently been spoken of in the correspondence. I do not recall just what matters, or when.

Chairman WALSH. I will direct my question now, Mr. Rockefeller, to communications between yourself personally and Mr. Bowers personally.

Mr. ROCKEFELLER, Jr. Regarding the strike?

Chairman WALSH. Regarding the strike.

Mr. ROCKEFELLER, Jr. Previous to the calling of the strike?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. I think none.

Chairman WALSH. Or regarding labor conditions previous to the calling of the strike?

Mr. ROCKEFELLER, Jr. Simply as any letters, during the year, from Mr. Bowers or Mr. Welborn might mention labor questions, as well as any other questions relating to the company.

Chairman WALSH. Who is Mr. J. H. McClement?

Mr. ROCKEFELLER, Jr. One of the directors of the Colorado Fuel & Iron Co.

Chairman WALSH. Is he a large holder of stock in the Colorado Fuel & Iron Co., to your knowledge, or have you any knowledge on the subject?

Mr. ROCKEFELLER, Jr. I have no knowledge, but I presume he is not a large stockholder.

Chairman WALSH. Did you follow closely the bulletins issued by Mr. Ivy L. Lee with reference to the situation existing there in Colorado?

Mr. ROCKEFELLER, Jr. They were sent to me, as well as to many other people.

Chairman WALSH. Did you not see them until they were sent out to the public generally?

Mr. ROCKEFELLER, Jr. No; I think in no instance.

Chairman WALSH. Where were they actually prepared?

Mr. ROCKEFELLER, Jr. That I could not tell. After I had made the arrangements with Mr. Lee, which I fully outlined this morning, the matter was left with the operators' committee in Denver and with Mr. Lee.

Chairman WALSH. What percentage of the men in the employ of the Colorado Fuel & Iron Co. went on a strike on September 23, 1913?

Mr. ROCKEFELLER, Jr. Well, I do not remember how many went out on that day. I have not kept track of the numbers, and it has been often difficult to tell.

Chairman WALSH. Is Mr. McClement a representative of your family, or of your father?

Mr. ROCKEFELLER, Jr. He is not.

Chairman WALSH. Is Mr. McClement a representative of your father and those upon the board of directors?

Mr. ROCKEFELLER, Jr. He is not.

Chairman WALSH. I will ask you, just to make the matter clear, what you meant by this language used before the congressional committee? I will have to go back a little, I am afraid:

"I can only speak"—

Speaking on a subject I do not think is material; that is yourself speaking, Mr. Rockefeller—

"I can only speak for the directors which represent my father's interest."

"The CHAIRMAN How many are there of those?"

"Mr. ROCKEFELLER, Jr. There are three. Shall I speak of that?

"The CHAIRMAN. Yes, sir.

"Mr. ROCKEFELLER, Jr. There are three immediate representatives of his, of which I am one; from the staff of his personal office there are two others.

"The CHAIRMAN. Who are they? Would you mind giving their names?

"Mr. ROCKEFELLER, Jr. Yes; I will give them, certainly. Mr. Starr J. Murphy, J. D. Greene, and myself are the three personal representatives of my father.

"Mr. BYRNES. Is Mr. Bowers a director?

"Mr. ROCKEFELLER, Jr. I was just coming to him in connection with the other two, who might be said to indirectly represent my father's interest. The first is J. H. McClement, an independent business man in New York, who has been on the board for some years, and I am not sure whether his appointment was originally suggested by some of the other large stockholders or by ourselves. He has been for a long time on the board. He represents the other stockholders quite as much as he does ourselves."

Mr. ROCKEFELLER, Jr. That is entirely true.

Chairman WALSH. Does he represent you?

Mr. ROCKEFELLER, Jr. Mr. McClement, I think, has been on that board since we first took an interest, and whether he went on as representing us I frankly can not recall. He is a man whose judgment we have a high regard for, and he is a man who has made some studies of the Colorado Fuel & Iron Co.'s properties, and we have availed ourselves of those studies made largely in earlier years. Whether, when he first went on at the time those studies were made, it was partly at our suggestion I can not recall, but as it lies in my mind it was that he did not represent us. We would be very glad to have him represent us. We think him a very capable man, and so far as my point is concerned it would be immaterial, and I should be glad to include him as a representative, if that is a fact, but I don't recall it; it occurred a great many years ago.

Chairman WALSH. You do not recall then that he in any way did, to any extent, represent yourself upon that board?

Mr. ROCKEFELLER, Jr. As I said, I do not recall how his appointment came about, except that the various stockholders thought that he was a man who would be valuable to have related to the company as a director, and we agreed with that view.

Chairman WALSH. Did you observe the bulletin issued by Mr.—written by Mr. Ivy L. Lee, which stated that there were comparatively few employees of the Colorado Fuel & Iron Co. that were dissatisfied with conditions, on the 23d of September, 1913?

Mr. ROCKEFELLER, Jr. I do not recall whether I have that in mind in connection with those bulletins, or whether that information I had received direct from the officers of the company, but that is an impression which was distinctly in my mind.

Chairman WALSH. Did Mr. McClement show you a letter which he received from Mr. Welborn, dated September 6, 1913, something over more than two weeks before the strike was called, and before the miners' convention, at which the strike was voted, written to Mr. McClement, informing him that a strike was to be called, and that he predicted that most of the men would respond to the call and go on the strike?

Mr. ROCKEFELLER, Jr. I do not recall that letter, Mr. Chairman.

Chairman WALSH. Did you have any such information on the 23d day of September, 1913?

Mr. ROCKEFELLER, Jr. That the majority of the men would go on the strike?

Chairman WALSH. That most of the men would go on the strike.

Mr. ROCKEFELLER, Jr. The impression I had, from the correspondence that had passed between Denver and our office, was quite to the contrary, Mr. Chairman.

Chairman WALSH. So that if Mr. Welborn had information on the 6th day of September, 1913, that the condition of unrest was such among the employees of the Colorado Fuel & Iron Co. that most of them would go on a strike, if called, that was not imparted to you by Mr. Welborn?

Mr. ROCKEFELLER, Jr. I do not recall any such letter from Mr. Welborn.

Chairman WALSH. If that information was in the hands of the executive officers and was imparted to one of the directors, was there any machine in your organization by which that condition of affairs could be indicated to the rest of the directors?

Mr. ROCKEFELLER, Jr. If it came to any of the directors in our immediate office the letter would in all probability have been passed to the other directors, as is customary in the office there.

Chairman WALSH. Do you think that was such information as should have been given to the directors, as a whole, by the executive officers of your organization, if it existed?

Mr. ROCKEFELLER, Jr. I am surprised at the information, because the information which has come to me has always been quite to the contrary.

Chairman WALSH. Have you read the transcript of the testimony taken by the subcommittee of the Committee on Mines and Mining of the House of Representatives, in its investigation of the Colorado strike?

Mr. ROCKEFELLER, Jr. Only part of it.

Chairman WALSH. Have you read the transcript of the testimony taken by this commission in its investigation of the Colorado strike?

Mr. ROCKEFELLER, Jr. I have read the testimony of only two or three of the witnesses. I did not suppose the testimony generally was available as yet. Mr. Chairman, may I make one remark about a matter we have discussed?

Chairman WALSH. Certainly.

Mr. ROCKEFELLER, Jr. With reference to the seven day a week work, my answer indicated that I had no definite knowledge of those conditions, but I do not want to leave the impression that I favor for myself or other men seven days of work a week year in and year out. I should think for any man that was unwise and not in the interest of his best development, and I should, for myself and where I could use my influence, hope to do what I could to prevent—to constantly minimize that sort of thing, and to help see to it that every man should have one day in the week for rest, and to constantly look toward a proper day of rest. I want to make that clear as my personal idea, and do not want to be understood as believing that any man, whatever the character of his work might be, even if he could stand it physically, ought to work seven days a week year in and year out.

Chairman WALSH. Was any machinery provided in the plants of the Colorado Fuel & Iron Co. in Colorado and Wyoming for adjusting grievances on the part of the workmen?

Mr. ROCKEFELLER, Jr. There is such machinery now.

Chairman WALSH. Was there prior to the strike?

Mr. ROCKEFELLER, Jr. It was always, as I understand, possible for any man to come to the officers of the company with any matter which he might care to take up.

Chairman WALSH. Who was the chief officer of the company; would you say, Mr. Bowers or Mr. Welborn?

Mr. ROCKEFELLER, Jr. I presume that the chairman of the board is always the ranking officer in any corporation.

Chairman WALSH. Prior to September 23, 1913, to whom were the grievances of the men taken, Mr. Bowers or Mr. Welborn?

Mr. ROCKEFELLER, Jr. That I could not say definitely, but I assume that seldom, if ever, would grievances need to come as far as those officers. They would come naturally to the local superintendent or mine superintendent.

Chairman WALSH. Where was the local superintendent in the southern coal field of Colorado located?

Mr. ROCKEFELLER, Jr. I could not say.

Chairman WALSH. What was his name?

Mr. ROCKEFELLER, Jr. Mr. Weitzel was superintendent of the coal department of the company.

Chairman WALSH. Before or since the strike have you learned where his office was?

Mr. ROCKEFELLER, Jr. That is not a matter that I have inquired about.

Chairman WALSH. Didn't you know that the office of the general manager of the company was in Trinidad?

Mr. ROCKEFELLER, Jr. You mean the general manager of the coal company?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. I had that impression, but it was not sufficiently clear in my mind to lead me to make the statement.

Chairman WALSH. Did you ever hear of any grievance on the part of the men engaged in the mines being presented to Mr. Weitzel?

Mr. ROCKEFELLER, Jr. I would not be in a position to hear.

Chairman WALSH. Did you know they had grievances prior to September 23, 1913?

Mr. ROCKEFELLER, Jr. I suppose that we all have grievances, and they are human and I suppose they must have had grievances.

Chairman WALSH. Do you know of any particular grievances the men had in regard to working hours which they objected to, or conditions in the mines, so far as safety was concerned that they objected to?

Mr. ROCKEFELLER, Jr. I knew that every effort that could be made was being made by the officers of the company to reduce to the minimum the possibility of danger and the possibility of grievances. Beyond that as to the details I was not in a position to know.

Chairman WALSH. Do you believe with complete lack of any machinery for adjusting grievances of such a character, that justice for the workmen would depend upon the mere benevolence of the company's agent, who would be sure to naturally cause unrest?

Mr. ROCKEFELLER, Jr. I do not think I quite get that question.

Chairman WALSH. In other words, unless there is this machinery by which the grievances of the employees could be adjusted, aside from mere benevolence on the part of your agents, would that not be a cause for industrial unrest?

Mr. ROCKEFELLER, Jr. It seems to me that the question of the men having an opportunity to present grievances is perfectly legitimate and proper, and the fact that I took steps myself nearly a year ago to inquire as to methods, as to the formation of such machinery, and made suggestions along this line to the officers of the company, which I found were being turned over in their own minds, and which I have stated this morning were subsequently formulated into the definite plans which I have stated have since been put into effect, would indicate my belief in the desirability of having some such machinery, that there might be free communication between the men and the officers in regard to matters of any character which the men might wish to take up.

Chairman WALSH. Then, if that machinery were lacking, it would be a cause of protest and unrest on the part of the men working in the industry?

Mr. ROCKEFELLER, Jr. I can not quite answer that in that way, but I should say that where the machinery was at hand there would be less possibility of lack of unrest or of disquiet.

Chairman WALSH. Did you know that prior to the calling of the strike that officers and organizers of the United Mine Workers of America were in Colorado attempting to induce the men in your industry to join the union?

Mr. ROCKEFELLER, Jr. I knew in a general way that the men in the northern part of Colorado had, some five years ago, I think, been unionized, and that there was a tendency—a disposition—to attempt unionizing the entire district.

Chairman WALSH. From whence did you get that information?

Mr. ROCKEFELLER, Jr. As I get all my information—through the officers of the company, either in conference or in correspondence.

Chairman WALSH. Was there any system in effect in Colorado by which men injured by accident, or the families of men killed in accident, would be compensated according to the extent of the loss inflicted?

Mr. ROCKEFELLER, Jr. There was a system by which men and their families were compensated. What the system was I do not know in detail.

Chairman WALSH. Did that system depend entirely upon the benevolence of the company?

Mr. ROCKEFELLER, Jr. I am not sufficiently familiar with it. Mr. Chairman, to answer that question.

Chairman WALSH. Is it a fact that the average amount paid for the death of the heads of a family in the industry in Colorado for several years prior to September 23, 1913, was \$700?

Mr. ROCKEFELLER, Jr. That I do not know.

Chairman WALSH. Were the men engaged in the mining industry in Colorado permitted to own their own homes?

Mr. ROCKEFELLER, Jr. So far as I know they would have been entirely welcome to own their own homes if they had desired to buy real estate in isolated parts of the mountain fastnesses where these mines were generally located.

Chairman WALSH. Could they own them in your closed camps?

Mr. ROCKEFELLER, Jr. I have not definite knowledge, but I assume that anyone who wanted to risk his money buying property in a mining camp that at any time might be exhausted—the mine might be exhausted or abandoned—I presume he would be at liberty to do so, and I see no reason why he should not be.

Chairman WALSH. Did the companies generally in Colorado own the canyons surrounding their camps or property?



Mr. ROCKEFELLER, Jr. I have no information as to how extensively their ownership might have been, Mr. Chairman.

Chairman WALSH. Was it the policy of your company, expressed through your officers, not to permit men to own their own homes, even though they desired to take all these difficulties that you have mentioned, and all of the risks you have mentioned, to have a home of their own?

Mr. ROCKEFELLER, Jr. I don't know what the policy may have been.

Chairman WALSH. When the mines were exhausted by you, of course you would have to dispose of your real estate?

Mr. ROCKEFELLER, Jr. But the difference would be, Mr. Chairman, that it would be hoped that the original cost put into the purchase of the real estate, including the coal, would have been taken out in producing the coal, if the industry had been successful in that particular mine. That is, the company would have gotten its money back, if the venture had been successful, the same would not be true of the employee.

Chairman WALSH. Did you charge so much a room for the houses that were given to these employees to live in, do you know?

Mr. ROCKEFELLER, Jr. I never had anything to do with that; our interest was only a minority interest. It was not our company. The officers were responsible for dealing with those matters, and how they have handled them I am not able to say.

Chairman WALSH. Did your board of directors ever take up the question as to the amount of moneys that was paid to injured persons and the survivors of the victims of fatal accidents in the mines?

Mr. ROCKEFELLER, Jr. Mr. Chairman, with no desire to criticize, but simply for accuracy's sake, may I point out that it could hardly be called "our board." We had a 40 per cent interest in the Colorado Coal & Iron Co.

Chairman WALSH. Well, I refer at this time really to the board of directors of the Colorado Fuel & Iron Co., when I said your board.

Mr. ROCKEFELLER, Jr. I just wanted to be clear on that point. I think such matters have never come before the board, nor would they.

Chairman WALSH. Well, these facts were developed at our hearing: Mr. Welborn furnished us a list of the last 25 settlements that had been made in cases of persons that had been injured and killed in the mines prior to November 25, 1914, and it runs as follows. In these cases the company claimed no liability in many of them and partial liability in others of them, or disputed liability, but the last 25 seem to have been Giovanni Gambasin, fatal injury, paid \$300; Charles Paolazzi, loss of leg—artificial leg furnished, \$100; amount of payment \$700—

Mr. ROCKEFELLER, Jr. (interrupting). These are matters that the board of directors would not pass on, Mr. Chairman.

Chairman WALSH. Do you think it would be wise for the board of directors to make ascertainment of such questions as this?

Mr. ROCKEFELLER, Jr. It might be desirable, but quite difficult, Mr. Chairman. That is one of the regrettable questions which come up in connection with the management of any large industry, as is customary, that and similar matters of operation are handled by the administrative officers.

Chairman WALSH. As a citizen, do you not think that the directors of a corporation should be compelled by law, if necessary, to advise themselves of matters of this kind; that is, the number of lives that were lost or persons who were crippled and the amount of compensation that was paid therefor?

Mr. ROCKEFELLER, Jr. I strongly believe in the workmen's compensation act, Mr. Chairman, and understand that the present governor of Colorado proposes to present such legislation to the legislature of Colorado this year. I should strongly favor it.

Chairman WALSH. Well, when I was interrupted—Henry Lott, left foot injured, \$100; Frank Zwerdowski, fatal, represented by attorney, payment, \$700; Charles H. Werden, fatal, amount \$700; Frank Krashitz, fatal, \$300; Mark Tezak, right cornea perforated, \$1,000, represented by attorney for Austrian consul; Theodore Pappas, fracture left leg, \$500; Abel Silva, fatal, \$500, represented by attorney; John De Monti, \$500, settled with Italian consul; John Sebben, fatal, \$700; William Demsted, amputation of two fingers of left hand, \$115; Jose Lerma, spinal cord injured, \$700; C. Romero, fracture of left femur, \$500; James R. Davis, fracture of right tibia and tibia, \$275, represented by attorney; Patrick McGovern, right shoulder bruised, \$400; John Brice, fracture of right femur, tibia, and tibia, \$200; I. V. Burt, loss of right leg above knee, artificial leg furnished, \$100, payment \$400; Juan Mora, fractured left femur,

payment \$100; Antonio Pedroza, fractured third dorsal vertebrae, payment \$225; Donato Di Cleco, fracture left tibia, \$400; Bazzoni Bartolomeo, fractured left femur, artificial leg furnished, \$100, payment \$600; P. L. Woody, loss of left hand, \$500; Henry Miller, dislocation of right hip, \$700; Diego Godines, fatal, payment \$250.

Now, assuming that those are the last 25 accidents in the industry, going back from November 25, 1914, what would you say, if anything, as to the necessity of the directors of a corporation having full knowledge at all times through regular reports of the fatalities and injuries in the industry?

Mr. ROCKEFELLER, Jr. No one could regret more, Mr. Chairman, than the directors of a corporation that injury or loss of life should ever result from the prosecution of a business. At the same time the directors have it surely as their responsibility, to be exercised through their carefully appointed officials, to see that every precaution is taken to reduce to a minimum the accidents which may arise in the industry. The directors in these industries who are unfamiliar with mining, with coal mining or with the production of steel, you can see yourself would be less competent to deal with such questions and to suggest ways of preventing such accidents than the officers whose business it is to consider carefully such matter in connection with other of their managerial work. Therefore it seems to me the directors are doing the thing which, according to their judgment, is most in the interest of the employees, in delegating the careful attention to all such matters to men who, by experience and close contact with the affairs, are best qualified to prevent accidents and to deal sympathetically with those who unfortunately are injured.

Chairman WALSH. Was your attention ever called to the alleged fact that the managing officers did not deal sympathetically with those persons who were injured or with the survivors of those persons who lost their lives in the industry?

Mr. ROCKEFELLER, Jr. It certainly was not, and if it had been I certainly should have made inquiry. And I can not conceive that the officers could have dealt any other way. Their representatives may have, but certainly that would be very reprehensible, and no one could regret it more than I.

Chairman WALSH. Do you believe that proper conditions exist, whether it comes from the inside of the industry or whether it comes from the weakness of the law as executed by the civil or criminal authorities, where in an industry 25 men are killed or injured, and the compensation paid is such as I have read to you from that list?

Mr. ROCKEFELLER, Jr. I think it would be difficult for anyone to form any judgment on such a matter without knowing more about the facts, Mr. Chairman, than I do.

Chairman WALSH. What is the proportion of industrial accidents during the past five years in Colorado as compared with other States in the country?

Mr. ROCKEFELLER, Jr. I don't know. I would not have those figures.

Chairman WALSH. As compared with other States in which large operations are carried on in the coal fields?

Mr. ROCKEFELLER, Jr. I don't know; I simply know that the officials of the Colorado Fuel & Iron Co. have been diligent in their efforts to reduce to the minimum the possibility of accidents.

Chairman WALSH. Have you ever heard that there was political corruption in Colorado, and that the money to corrupt the electorate came from the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. Such charges I have heard with reference to every State in the Union and every company that I have happened to know about, Mr. Chairman.

Chairman WALSH. Well, then, does that include the Colorado Fuel & Iron Co.? Did you hear it about that—that is, the charge; I am not saying whether it is correct or not?

Mr. ROCKEFELLER, Jr. I have heard such rumors.

Chairman WALSH. Do you believe that it is the duty of a director of a company to investigate such questions as that?

Mr. ROCKEFELLER, Jr. I had no reason to believe that they were well founded, Mr. Chairman.

Chairman WALSH. If it should appear from testimony given under such conditions and from such persons as to carry verity with it that such had occurred, as a director would you be in favor of discharging the executive officer who was responsible for the payment of moneys for such purpose?

Mr. ROCKEFELLER, Jr. I certainly would be strongly opposed to any officer dealing in that way.

Chairman WALSH. My question was would you vote to discharge him?

Mr. ROCKEFELLER, Jr. I would want to know the conditions, Mr. Chairman.

Chairman WALSH. If you were satisfied, then, that an official of the company took a certain amount of money, passed it to another man for the purpose, we will say, of buying liquor and spending money at elections, and you were satisfied that was done, would you vote, as a director, to discharge the officer?

Mr. ROCKEFELLER, Jr. I certainly would not want to sanction anything of that kind, Mr. Chairman—any such action on the part of the officer.

Chairman WALSH. Would you vote to discharge him if he did it?

Mr. ROCKEFELLER, Jr. Well, it would depend on who the officer was; it might be one of the under officers, who would not be appointed by the board; I certainly would do everything that I could as a director to see that such things as that were not done.

Chairman WALSH. Would you investigate the question as to whether the officer higher than he had authorized it or as to how the funds of the company could be taken from its treasury for such purpose?

Mr. ROCKEFELLER, Jr. If I had any reason to believe that such statements were more than the kind of idle rumors that are current in any political campaign with reference to any corporation, I certainly should.

Chairman WALSH. If you believed that the officers of a local corporation in which you were a director got together and elected the public officials who were to pass the laws—that is, to select nominees in the party conventions of persons who were to run as officers for the legislature and for the executive officers of the counties and State in which your companies operated—would you consider that a legitimate reason for discharging the officers?

Mr. ROCKEFELLER, Jr. Well, it might be, of course, Mr. Chairman, that such men, as citizens of the State, would have a responsibility as any other citizens would of looking toward the selection of whom they thought were proper and desirable candidates to fill the offices in the interests of the people at large. I should want to know the facts in each case before passing any judgment.

Chairman WALSH. Are you acquainted with Jesse B. Northcutt?

Mr. ROCKEFELLER, Jr. I am not.

Chairman WALSH. Ever meet him?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Ever heard the name before?

Mr. ROCKEFELLER, Jr. I think so, but I don't know what his relations are.

Chairman WALSH. Is he not the attorney for the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I don't know that.

Chairman WALSH. Did you read the speech made by Mr. Northcutt; did you know he was a judge of the district court in your coal field prior to becoming your attorney?

Mr. ROCKEFELLER, Jr. I did not.

Chairman WALSH. Did you read a speech of Mr. Northcutt's made in 1912, the time before this strike, in which he declared that the Colorado Fuel & Iron Co. nominated, elected, and controlled public officials in Las Animas and Huerfano Counties?

Mr. ROCKEFELLER, Jr. I did not; I never have heard of the speech to my knowledge.

Chairman WALSH. Have you a printed copy of the preliminary statement that you made this morning?

Mr. ROCKEFELLER, Jr. Yes, Mr. Chairman.

Chairman WALSH. Would you kindly refer me to that part of your statement when you set forth the necessities of providing certain things—housing and commissary, etc., on account of the remoteness of these mines?

Mr. ROCKEFELLER, Jr. I made no such statement—

Chairman WALSH. Well, not in those words, but I wish you would refer to that part of the statement, you understand?

Mr. ROCKEFELLER, Jr. Oh, yes; I understand.

Chairman WALSH. It says:

"Social conditions surrounding an industry depend upon many factors other than labor conditions. The responsibility of a corporation located in a thickly settled and highly organized community depends upon the relative importance of the corporation to the other factors in the community. Where the activities of a corporation are carried on in new and undeveloped sections of the country social conditions are largely influenced by the attitude of the corporation and

its officers; and the corporation is required to provide for many things which in a more settled community would be taken care of by the community as a whole."

Now, I wish you would indicate, Mr. Rockefeller, the main and substantial things that you feel that the company must take care of, that in an ordinary community would be taken care of by the community as a whole.

Mr. ROCKEFELLER, Jr. My thought there is a general one, Mr. Chairman, that where an industry is located in the center of a highly civilized community homes for the workers are easily obtainable usually, and are frequently provided by other people. The water supply is cared for, school facilities are provided by the community, recreation facilities are provided by the community, and matters of such a nature in a highly civilized and thickly settled community are naturally provided. But when one goes out to a remote district in the establishment of an industry, where no community life existed prior to the location of the industry, just as it is usually necessary to provide houses in which the men will live, on the ground that it would be a hardship to ask a man to buy a house in a remote district of the mountains where he could not be sure of permanent occupation, as it would be an injustice to ask him to buy his house there, it becomes necessary for those who would develop an industry in such a locality to provide means for living in which the labor that is willing to come to that locality can be housed. Similarly, where a community is built around an industry, no community having existed previously, it may be necessary at the outset that the industry should cooperate in and possibly provide entirely school facilities, facilities for social recreation, water facilities, and such other matters.

Chairman WALSH. Did you mention the commissary store, where they might buy their provisions?

Mr. ROCKEFELLER, Jr. I did not, but that is—

Chairman WALSH (interrupting). That is one matter.

Mr. ROCKEFELLER, Jr. (continuing). That is one matter and that is a matter which some one must provide. Now, that is not the ideal thing, but that is a necessity which follows the pioneering of an industry, when it is started in a remote locality. After such an industry has been developing for some years and there has grown up a settlement, a village, a town in the community, and others have come in for other purposes, if such be the case, the community naturally broadens, and those responsibilities which would naturally not be taken care of at all at the outset if not by the company, very properly are taken over increasingly by the community itself as it becomes capable of developing the means and ability to care for such matters. I think it highly important that all such matters should be cared for by the community; but rather than that those who come to such a locality in order to secure employment should suffer from the lack of them it seems to me inevitable that the corporation which is developing the industry at that point should provide certain of those things.

Chairman WALSH. Is it not necessary—highly necessary—during this pioneering process, as you have mentioned, Mr. Rockefeller, to provide also a physician and hospitals?

Mr. ROCKEFELLER, Jr. I did not undertake to cover the subject exhaustively.

Chairman WALSH. Well, I am just calling your attention to that one thing.

Mr. ROCKEFELLER, Jr. Anything which the people in the community may require and which the community has not developed sufficiently to supply itself, I think it would be highly proper and quite necessary that the corporation should supply at the outset.

Chairman WALSH. Now, in Colorado, where we have a remote State so far as the center of population is concerned and again where the coal fields are in territory remote even from the center of the population in that State, is it not a fact that these activities that you say the companies are, by the necessities of the case, required to carry on, remain practically permanent on account of the necessary situation of the case?

Mr. ROCKEFELLER, Jr. Unless population is directed to the community for other reasons than because employment is found in the specific industry, such a condition might continue for some time.

Chairman WALSH. How long has Primero been running as a mining town?

Mr. ROCKEFELLER, Jr. I have no idea, sir.

Chairman WALSH. How long has Delagua been running as a mining town?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Very many of those properties have been operated—you, of course, recall the name of the town, do you not—Delagua?

Mr. ROCKEFELLER, Jr. Oh, yes.

Chairman WALSH. Well, the Delagua mine has been operating ever since you came into the company 12 years ago?

Mr. ROCKEFELLER, Jr. Well, that might be true, Mr. Chairman; but if its location is an isolated one to which people are not attracted, other than those employed in the mines, I should think it would probably be true that the community itself would not be able to provide those facilities and that the company would be obliged to do so.

Chairman WALSH. In order to carry on the industry the company would be obliged to provide those facilities on account of the isolated character of the neighborhood?

Mr. ROCKEFELLER, Jr. I think where men have themselves to provide all the things that life demands, it is highly desirable; and if any way could be suggested by this commission whereby such a community as you have described could be rendered competent—I mean competent so far as financial and other questions are concerned—to provide such things themselves, I should think it was the ideal thing and that it was very much to be desired.

Chairman WALSH. Before that time comes—and it may be that no human being can make any such suggestion—before that time comes, at any rate, is there not a grave responsibility on the part of the directors for the welfare of those people that are so economically situated on account of the remoteness of the industry and these other reasons which you have given?

Mr. ROCKEFELLER, Jr. There certainly is.

Chairman WALSH. For instance, in the commissary. Do you believe that the commissary ought to be run on the same plan that a store would have to be run in a highly competitive neighborhood and in a neighborhood where access could be had to other means of supply?

Mr. ROCKEFELLER, Jr. Do you mean by that as regards prices, or what?

Chairman WALSH. As regards prices to the consumer.

Mr. ROCKEFELLER, Jr. I think the prices should be reasonable when one considers the cost of the original article, the cost of bringing it to the point at which it is sold, and the cost of its handling and sale.

Chairman WALSH. Inasmuch as the workman is the only consumer in the neighborhood, and as he has no place else to get these supplies or commodities, naturally the amount charged by the company would have a very great effect upon the real wages which he receives, would they not?

Mr. ROCKEFELLER, Jr. The company certainly would have an opportunity to charge a high price or a low price. I should think that the company that was trying to do the fair thing would charge just what the goods would properly be worth there in proportion to the prices at other places in the nearest neighborhood, adding the cost of transporting and selling them to the prices mentioned.

Chairman WALSH. As a director of the Colorado Fuel & Iron Co., did you ever take up specifically the charges for the supplies at the stores in the coal camps of Colorado?

Mr. ROCKEFELLER, Jr. It is not a matter which would naturally fall to the directors to take up, Mr. Chairman.

Chairman WALSH. When the mines are running full, how many families would you say—how many people live in the coal camps of Colorado owned by the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Would you not consider it advisable for the directors of a corporation of that character to determine the percentage of profit that a store ought to make under such circumstances when one is so powerful economically and the other so weak?

Mr. ROCKEFELLER, Jr. I should consider, Mr. Chairman, that the men whom the directors feel to be competent to handle the other managerial questions of the company in connection with the operation of the company ought to be competent to handle that question, and if they were not they should not be intrusted with the responsibility of operating the company.

Chairman WALSH. Do you feel that an executive official might have a divided duty, one being to earn dividends and the other to look out for the health and well-being of the people in the industry, and that one might conflict with the other?

Mr. ROCKEFELLER, Jr. I think we are all of us in life, Mr. Chairman, meeting just such conflicts constantly and having to decide between what seem to be

conflicting duties and responsibilities. But, as I pointed out this morning, it seems to me that a corporation should be considered to consist of its stockholders, its directors, its officers, and its employees, and that the corporation should be administered by the executive officers under its directors in the interests of all those four classes, and that the officer who did not properly and fully regard the interests of all four classes would not be living up to his fullest share of responsibility.

Chairman WALSH. Do you think that the director has a responsibility in seeing that the officer does that?

Mr. ROCKEFELLER, Jr. I think it is not possible in practice, Mr. Chairman, for the director to follow the officer in every detail of the managerial position which he fills. The director must take such steps as seem to him right and proper to satisfy himself of the integrity of purpose and of the ability of the officer, and then, I think, he must trust him. If he has reason to believe that the officer is not properly handling the trust, then some change should be made.

Chairman WALSH. Should the trust simply be a general trust in him as a man or the trust which grows out of a constant general supervision and a noticing as to how he carries on the activities in finance and otherwise?

Mr. ROCKEFELLER, Jr. I think, Mr. Chairman, the common experience is that we can not get the best out of any man if we put a responsibility on him and then follow him up to see how he acquits himself of that responsibility in every detail. We must trust him and must take care, as must any individual in life, in the selecting of those on whose shoulders we place responsibility; but having made a careful selection, I think you will agree that a man develops an ability to carry responsibility when it is placed fairly and squarely upon him.

Chairman WALSH. Is all of the stock of the Colorado Supply Co. owned by the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I presume that it is, but I don't know.

Chairman WALSH. For the last 10 years has the Colorado Supply Co. made a net profit of 20 per cent on its capitalization of \$1,000,000?

Mr. ROCKEFELLER, Jr. That I don't know.

Chairman WALSH. Do you know what the capitalization of the Colorado Supply Co. is?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. Do you not think that the return made upon the investment in the Colorado Supply Co. would be an indication of a strong character as to the fairness with which the individual is dealt with in those camps weakened by the situation in which you say he must necessarily be.

Mr. ROCKEFELLER, Jr. I should think so; but I think what would be a proper return would have to be considered in connection with what the returns on similar stores in other localities may be.

Chairman WALSH. In other localities where competitive industries and competing stores exist, other localities such as those like the Victor-American or the Rocky Mountain Fuel Co.—which do you mean?

Mr. ROCKEFELLER, Jr. Well, I mean in other communities where other stores that were comparable were in existence.

Chairman WALSH. Now, isn't the difference very great between an ordinary store and a community where there was diversified industry or such a store as you have described? In the first place, there is no risk of bad debts in the store of the Colorado Fuel & Iron Co., is there?

Mr. ROCKEFELLER, Jr. That I do not know, Mr. Chairman, because I have not had to do with that department of the business, nor am I conversant generally with the keeping of a store.

Chairman WALSH. Do you know whether or not in the Colorado Fuel & Iron Co. the check-off system is used by the company; that is, that the amount of goods that they buy at the store is taken from the pay of the man before his envelope is turned over to him?

Mr. ROCKEFELLER, Jr. I do not suppose that that exists; I did not know that it did, but I am not clear on that point. I think it does exist.

Chairman WALSH. Are you not aware of the fact that the man is not allowed a dollar's worth of goods unless he has a dollar earned as wages?

Mr. ROCKEFELLER, Jr. I had no knowledge of that, Mr. Chairman.

Chairman WALSH. And from your general business knowledge, you think it would be a very great advantage not to have bad debts in a retail grocery or provision business, would you not?

Mr. ROCKEFELLER, Jr. I never have had any experience with bad debts in a retail grocery or provision business, but I have in a general business. I think they ought to be avoided when possible.

Chairman WALSH. That it would be out of comparison when you come to the question of profit that a business ought to receive if one was in a condition where it could lose through bad debts and the poor extension of credit and the other where they were sure to get their money for every cent's worth of goods that went out?

Mr. ROCKEFELLER, Jr. I should think it would doubtless have a power, but I am not familiar with storekeeping, so I would not know how direct a bearing it would have.

Chairman WALSH. Do you think it would have a great bearing also for the storekeeper or merchant to know the character of his goods that were going to be called for in advance so that he could make purchases with such knowledge of what he might have an opportunity of selling?

Mr. ROCKEFELLER, Jr. I should think that would be very helpful. I do not know the policy of the officers of the Colorado Fuel & Iron Co. is, but if anyone wants to come into any of those towns and start a store on an independent basis if they thought there was anything in it for them, I, personally as an individual, would be glad to see them do it.

Chairman WALSH. Are you aware that the check-off system takes the money out of the pay of the men and sees that he does not get any goods until he has the money earned?

Mr. ROCKEFELLER, Jr. That is a matter I am not familiar with, that sort of operation, Mr. Chairman.

Chairman WALSH. Your general statement, as we entered this subject, that on account of the isolation of these places it is impossible for other persons to run the stores, and therefore the company runs the stores; I mean that holds good?

Mr. ROCKEFELLER, Jr. Not necessarily impossible for them to run it, but not attractive for them to run it, Mr. Chairman. If a man is willing to take the chances of going in there and taking a store and taking the risk of competing for the business, he might be able to make a success of it. If he could, well and good. I do not know what his chances would be.

Chairman WALSH. Do you know the basis upon which the rents are charged to the workers in the mines of Colorado?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. Do you know the basis upon which charges are made for medical service?

Mr. ROCKEFELLER, Jr. You mean the hospital facilities?

Chairman WALSH. Yes, sir; the hospital facilities and aid to the injured and any extension of medical attention to the families of the workers?

Mr. ROCKEFELLER, Jr. My impression is that every employee pays a dollar a month, which entitles him to full hospital privileges for whatever length of time may be necessary, and I have generally understood that that was a customary arrangement in similar corporations.

Chairman WALSH. You recognize the fact that when a company undertakes these activities which you say includes the establishment of school-houses—

Mr. ROCKEFELLER, Jr. (Interrupting). May include, Mr. Chairman.

Chairman WALSH. May include—that the greatest responsibility rests upon the company for the physical and moral life of the inhabitants, do you not?

Mr. ROCKEFELLER, Jr. Well, I certainly think that the company would not undertake those things unless it regarded seriously its responsibility. It is in recognition of that responsibility that it does those things.

Chairman WALSH. Do you believe the executive officers—and that you say must be the ones upon whom those duties would be—discharged by the executive officers under your organization—under the organization I mean of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. That is customary, I think, Mr. Chairman, in large business organizations.

Chairman WALSH. Well, after the executive officers establish a schoolhouse within a very few hundred feet of a saloon, with no intervening buildings, would you say that that was a violation of the duty that was imposed upon them on account of these conditions that you have mentioned?

Mr. ROCKEFELLER, Jr. Well, I should want to know all of the facts entering in, Mr. Chairman, which would lead to the establishment in juxtaposition of those two buildings before feeling competent to express an opinion.

Chairman WALSH. Suppose the company owned all the property in the camp; that it was surrounded by a fence, and gates opened to give access and

ingress and egress, and that there was sufficient land unused to do so; would you consider it is a very gross offense against the lives and homes of those people to establish two buildings, one a public school, upon its own property, and the other a saloon, close to each other, with no intervening buildings?

Mr. ROCKEFELLER, Jr. I should think always that the greater the distance between a saloon and a school the better, in a thinly settled community or in a thickly settled community.

Chairman WALSH. Well, in the particular case of a coal camp, where responsibility could be fixed for it, would you be in favor of discharging an executive officer that did such a thing for no reason except perhaps the lack of the same moral standards that you have expressed here?

Mr. ROCKEFELLER, Jr. I should feel it would be desirable to know all of the reasons which entered into it, Mr. Chairman, and I would hardly think I could pass judgment on so abstract a case. I have expressed my views as favoring the widest possible separation, consistent with other considerations which would come up, between a saloon and a school always, and that would hold quite as much in a small community—perhaps more even—than in a large community, in so far as it would be possible.

Chairman WALSH. What considerations do you deem could move the executive officers of the Colorado Fuel & Iron Co. to maintain a saloon and a schoolhouse in juxtaposition to each other?

Mr. ROCKEFELLER, Jr. I was not aware that the Colorado Fuel & Iron Co. did maintain saloons.

Chairman WALSH. You are not aware now that they do?

Mr. ROCKEFELLER, Jr. That the company itself maintains saloons.

Chairman WALSH. Are you not aware that they do maintain saloons?

Mr. ROCKEFELLER, Jr. I did not know that the company itself maintained saloons.

Chairman WALSH. Are you aware of the fact that the company builds buildings of a value, we will say, of two or three thousand dollars, and then leases that building to a saloon keeper at a rental of \$125 a month?

Mr. ROCKEFELLER, Jr. No; those are matters that I do not know anything about. But is that an instance of the company's maintaining a saloon, Mr. Chairman?

Chairman WALSH. I am not speaking of what I say, but asking if you would not say that company was maintaining a saloon?

Mr. ROCKEFELLER, Jr. If a man owned a piece of land in New York, we will say, and rented it to a saloon keeper, would you say he maintains a saloon? I hardly think so.

Chairman WALSH. I would not, of course, like to testify, but I will submit a statement to you.

Mr. ROCKEFELLER, Jr. I did not mean—

Chairman WALSH (interrupting). Although I have some strong opinions on it.

Mr. ROCKEFELLER, Jr. I did not mean that; I was just trying to develop the fact.

Chairman WALSH. Well, we will suppose a case of this kind: That company owned all the land in a camp—the Colorado Fuel & Iron Co. owned all the land in a camp; that the whole camp was surrounded by a high board fence, upon the top of which there were three rolls of barbed wire; that they had absolute control of the real estate, and in renting it that they built a saloon, and that the value of the saloon proper, we will say, was \$3,000, and that they then rented the saloon to an individual for \$125 a month—that land that they owned and controlled and the building, which only cost them \$3,000—and the man went right ahead selling liquor to those people who also owned homes in that camp and who were the only patrons served. Would you or would you not say that the company was in the saloon business, with a very thin veneer of alleged facts that might hide the real question?

Mr. ROCKEFELLER, Jr. I should say, Mr. Chairman, that the amount of the rental, whether large or small, had no bearing on whether the company was in the business or not.

Chairman WALSH. Very good, then.

Mr. ROCKEFELLER, Jr. I should say in the matter of saloons, when I was in Colorado that was a question which I gave no little thought to. Personally I always have been a teetotaler. I appreciated when I was going through those camps the great difficulty which the management is confronted with in undertaking to change the customs with reference to the use of beer, and so forth,



which many of the men working in the mines have been brought up with. The question was up at that time as to how the evil of drinking could best be dealt with. And I remember visiting, with no little interest, a clubhouse which had been established at a certain camp, in which the men and some of the officers of the company in that vicinity participated in the management. The clubhouse was run on the theory that a man who wished to drink should have the opportunity to drink; that it was not for the company to undertake to say that he should not drink, but that it was in the interest of the community that drinking should be discouraged, that excessive drinking and drinking to intoxication, drinking as in treating, should be done away with as far as possible. That was one of the experiments which was tried at that time in dealing with the question of drinking. How successful it is to-day I can not now say, but that is one method that was tried. Others, I understand, were tried. I know that the purpose of the company has been to reduce drinking to the minimum; but I know that the company—I know that any company would not feel that it had a right to say that no man should drink if he so desired. I speak at length simply to indicate that my attitude as a director, and, as I understand it, the attitude of the management of the company—of this particular company—is to reduce to the minimum the drinking evil.

Chairman WALSH. Are you aware of the fact, of the alleged fact, that in these saloon buildings—I believe you have mentioned them as clubs—they call them saloons out there?

Mr. ROCKEFELLER, JR. That was true of one club that I speak of, but I also said there were various methods which had been tried of dealing with the question. The club, I think, was not general.

Chairman WALSH. Are you aware of the fact, if it be a fact, that these saloons—over these saloons halls are provided for meeting places for the employees, and in some instances for religious services?

Mr. ROCKEFELLER, JR. I was not aware of that fact; and if it is true I presume, offhand, it would be because that was the only building of sufficient size in the community to provide a particular meeting hall of sufficient capacity for either of those purposes, undesirable as it might be, and contrary to the public interest, as it would be, to have the building used for those purposes.

Chairman WALSH. Can you find justification from an economic or financial standpoint for providing the meeting places for the people in those villages where the company is undertaking to provide all those facilities over a saloon—social and religious purposes?

Mr. ROCKEFELLER, JR. Mr. Chairman, whether a place for meeting, even under unfavorable circumstances is more desirable than no place to meet in is a question which I think would depend upon the conditions of the town and how much a place to meet in was desired by the inhabitants. Generally speaking, I would not be able to express an opinion on that subject.

Chairman WALSH. Would there be anything standing in the way of providing those places in those small camps in Colorado except the matter of expense?

Mr. ROCKEFELLER, JR. I assume not; but I do not know. I think, so far as that is concerned, Mr. Chairman, that the point which I made, undertook to make, this morning should be borne in mind, namely, that the stockholders of this company—I do not speak of ourselves or other large stockholders, but the very many other small stockholders—are entitled to some consideration, and I think that you will recognize that the position of a director is one of responsibility, both to his employees—I mean the position, too, more particularly of the executive officers—is one of responsibility both for the condition and comforts and welfare of the employees and also of responsibility to the smaller and all of the stockholders. Now, the fact that the Colorado Fuel & Iron Co. officials and directors have put any surplus profits back into the development of the business and into endeavoring to increase wages and to improve the working conditions, almost to the extent of substantially no dividends, would seem to indicate that they had gone further than they could continuously go and maintain the financial credit of the company.

Chairman WALSH. Has the Colorado Fuel & Iron Co. within the past few months instituted a sociological department?

Mr. ROCKEFELLER, JR. I had understood that such a department had been in existence for some years.

Chairman WALSH. How many years?

Mr. ROCKEFELLER, JR. There was such a department when I was in Colorado 10 years ago.

Chairman WALSH. Has there been any change made in the sociological department in the past few months?

Mr. ROCKEFELLER, Jr. I have no definite recollection of that, but I would not be apt to have information on that point, Mr. Chairman.

Chairman WALSH. Who is the head of the sociological department of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. Who is the head of the sociological department?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. I have assumed that Dr. Korwin, who is the head of the hospital, has had general charge of all such matters.

Chairman WALSH. Please name the activities of the sociological department of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I should not be able to, Mr. Chairman; I don't know.

Chairman WALSH. Does the sociological department undertake to have a censorship over the publications that are sent into the camps of the company in Colorado?

Mr. ROCKEFELLER, Jr. That is a matter that I would not know about.

Chairman WALSH. Do you know of any instances in which the individuals who run the saloons are also upon the board of school trustees?

Mr. ROCKEFELLER, Jr. That I would not know about.

Chairman WALSH. In the camps of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I would not be in a position to know that.

Chairman WALSH. Do you know of any instances in the camps of the Colorado Fuel & Iron Co. where the publications of the sociological department are sent to the saloonkeeper for distribution among the inhabitants of the community?

Mr. ROCKEFELLER, Jr. I do not; but I have no knowledge on that subject and I could not say yes or no.

Chairman WALSH. Do you believe that the directors of a corporation of the size of the Colorado Fuel & Iron Co., with its activities in these isolated communities and charged with the duty, the company being charged with the duty necessarily of providing all of the things that you have mentioned, should have an intimate first-hand knowledge of all of the conditions which I have mentioned through a system of definite written reports from the executive officers?

Mr. ROCKEFELLER, Jr. While I think it would be desirable, it seems to me it would be impossible. I do not see how the directors could give the intimate attention to those matters and, as I have said before, it seems to me that if the officers appointed are not men of sufficient ability, sufficient breadth, sufficient humanity to properly deal with those questions, it would be a question of strengthening the executive end of the company.

Chairman WALSH. How do the executive officers of the Colorado Fuel & Iron Co. deal with those activities?

Mr. ROCKEFELLER, Jr. That I do not know. That is left in their hands.

Chairman WALSH. How can you judge whether they are proper people to deal with those activities unless you know how they deal with them?

Mr. ROCKEFELLER, Jr. I can only judge by what I know of the men.

Chairman WALSH. Their general characteristics?

Mr. ROCKEFELLER, Jr. Their general characteristics and their general experience and training, and so forth.

Might I say, Mr. Chairman, in this connection, that the commission has doubtless gotten as much information with reference to the subjects that have been developed to-day, and personally as a director of the Colorado Fuel & Iron Co. I should be very happy to have any such matters of abuse or of wrongs as you may have found, that may be incorporated in your final report, brought to my personal attention. I would regard it as a courtesy on your part, and I can assure you that I should be only too happy to do everything in my power to right, to see that such wrongs are righted, because it is my desire as a director to do all that I can to have conditions in connection with the workers just as favorable and just as healthful and as proper as is possible, and I would greatly appreciate your cooperation and any suggestion of specific things which should be taken up in that way.

Chairman WALSH. At this point the commission will stand adjourned until to-morrow morning at 10 o'clock.

Please resume the stand at that time, Mr. Rockefeller.

(At 4.30 in the afternoon of this Monday, January 25, 1915, an adjournment was taken until to-morrow, Tuesday, January 26, 1915, at 10 o'clock a. m.)

NEW YORK CITY, January 26, 1915—10 a. m.

Present: Chairman WALSH, Commissioners O'Connell, Lennon, Harriman, Ballard, Weinstock, Garretson, and Cannon.

Chairman WALSH. We will proceed now. The house will be in order.

Mr. Rockefeller, please resume the stand.

**TESTIMONY OF MR. JOHN D. ROCKEFELLER, JR.—Continued.**

Chairman WALSH. Mr. Rockefeller, as you left the stand last night, you made the following statement, which I will read to you just to bring you to the point that I desire to make: "I might say, Mr. Chairman, in this connection, that the commission has doubtless gotten as much information with reference to the subjects that have been developed to-day, and personally, as a director of the Colorado Fuel & Iron Co., I should be very happy to have any such matters of abuse or of wrongs as you may have found, that may be incorporated in your final report, brought to my personal attention. I would regard it as a courtesy on your part, and I can assure you that I should be only too happy to do everything in my power to right, to see that such wrongs are righted, because it is my desire as a director to do all that I can to have conditions in connection with the workers just as favorable and just as healthful and as proper as is possible, and I would greatly appreciate your cooperation and any suggestion of specific things which should be taken up in that way."

Now, prior to this strike was there a strike in Colorado in 1903 in your industry, after you took charge of this company, or the present organization took charge of it?

Mr. ROCKEFELLER, Jr. There was a strike in Colorado about 1903 or 1904.

Chairman WALSH. And it lasted for the greater part of a year, about nine months, I believe?

Mr. ROCKEFELLER, Jr. My impression was it was hardly as long in duration as that; I do not recall.

Chairman WALSH. How long do you remember that strike to have been in existence?

Mr. ROCKEFELLER, Jr. I think five or six months, possibly, but my memory is not clear on that.

Chairman WALSH. The testimony shows eight. But, at any rate, there were human beings lost their lives, and violence took place in that strike?

Mr. ROCKEFELLER, Jr. I think so. My recollection is not clear.

Chairman WALSH. And the men in that strike had grievances, real or fancied?

Mr. ROCKEFELLER, Jr. Real or fancied; yes.

Chairman WALSH. Objected to conditions?

Mr. ROCKEFELLER, Jr. I do not know about that, Mr. Chairman. I think the chief question involved there, and I have always so understood it, was the recognition of the unions.

Chairman WALSH. There were men deported from your camp?

Mr. ROCKEFELLER, Jr. That I do not know.

Chairman WALSH. Do you not recall that there were many claims on the part of individuals that their constitutional rights had been taken away from them at that time?

Mr. ROCKEFELLER, Jr. No, sir; I do not recall that, Mr. Chairman.

Chairman WALSH. Did you read the testimony of President Welborn, of the Colorado Fuel & Iron Co., given in this investigation?

Mr. ROCKEFELLER, Jr. I have gone through it hastily.

Chairman WALSH. Did you read his statement that the investigation of the Commission on Industrial Relations was the twenty-seventh investigation of conditions in Colorado?

Mr. ROCKEFELLER, Jr. I knew there had been a number, but I did not recall it was as large as that.

Chairman WALSH. Do you recall that that is the number Mr. Welborn gave?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. In the twenties?

Mr. ROCKEFELLER, Jr. I do not hold that in my memory.

Chairman WALSH. Did you read the alleged facts brought out of those investigations?

Mr. ROCKEFELLER, Jr. I read the testimony of Mr. Welborn only hastily.

Chairman WALSH. Will you kindly suggest, following your statement of last evening, what you think should be done by this commission to bring these facts

home and to secure your cooperation, as you have suggested, in remedying any conditions that may exist out there that are wrong and improper?

Mr. ROCKEFELLER, Jr. I hardly would venture to suggest to a body so important as this, Mr. Chairman, how it might see fit to present questions of that kind. I would appreciate suggestions in whatever form the commission might deem it best to present them.

Chairman WALSH. Might it suffice for you to just read the testimony taken before the commission and thus obtain the information?

Mr. ROCKEFELLER, Jr. That would certainly throw light on it. I felt after the commission had completed its investigation there would be certain specific things which it believed could be taken up at an early date, with a view to improving conditions, and I had hoped that the commission would be disposed to make some specific suggestions of that character.

Chairman WALSH. Do you believe that there is any danger in a purely industrial corporation one organized for the purpose of profit controlling anything which has to do with the source of education and the spread of the gospel, for instance the management of churches?

Mr. ROCKEFELLER, Jr. As I stated yesterday, Mr. Chairman, I think the ideal thing is for any community to provide for itself all of those facilities. I undertook to make clear that there were certain conditions in the organization of this industry in remote districts, where a corporation, in order to be humane and to fulfill its just obligations, is necessarily called upon to provide certain things which later on in a more settled condition of the country would not be necessary, but I always would deplore that necessity and regard it only as an expedient, not as the ideal thing.

Chairman WALSH. Then it might be expedient and necessary for an industrial corporation organized for profit to appoint and discharge ministers of the cities which they control?

Mr. ROCKEFELLER, Jr. I don't understand and did not understand, Mr. Chairman, that was done in the cities. I understood it was in the small villages and communities that were largely, if not wholly, occupied by the employees of the specific corporation.

Chairman WALSH. Well, do you think that such a course might tend to deflect at least the teaching of religion?

Mr. ROCKEFELLER, Jr. If it were a choice as between having no ministers and having them paid by the company my own feeling would be that it would be in the interest of the community to have religious service conducted, but that would be only my own feeling.

Chairman WALSH. Do you think that your executive officers should in any way control or influence what the ministers said?

Mr. ROCKEFELLER, Jr. I should say decidedly not. I should always want any minister to speak, as any other citizen, with the utmost freedom.

Chairman WALSH. And if on that very important matter an executive officer of your company should attempt to dictate or to influence what a minister was to say, would you have any hesitancy in discharging him or casting your vote as a director to discharge him?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I do not want to seem to evade the question, but I think in fairness to the officers of the company it would hardly be just in me to pass judgment in any case without knowing all the facts. I think you will appreciate my delicate feeling on that subject. It is only a desire to show entire justice. I say unhesitatingly on the question of the propriety of any minister speaking just what he thinks, what I think that should obtain.

Chairman WALSH. Was your attention called to a letter written by Mr. Jesse F. Welborn, president of the Colorado Fuel & Iron Co., to Mr. Starr J. Murphy, a director in that company—the same Mr. Murphy, I assume, that is one of your father's advisers in his private matters, and also connected with the foundation?

Mr. ROCKEFELLER, Jr. The same Mr. Murphy is in those several relationships. Chairman WALSH. Did you see a letter written by Mr. Welborn in answer to a letter of Mr. Murphy's, the letter of Mr. Welborn being dated October 31, 1914?

Mr. ROCKEFELLER, Jr. I could not recall it by date; I am quite apt to see all of the correspondence that comes in the office on the subject.

7818 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

Chairman WALSH. This letter reads as follows:

[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

OCTOBER 31, 1914.

MY DEAR MR. MURPHY: I have yours of the 29th instant regarding charges made against certain of our employees at Sunrise, Wyo., by a lady living at that place. The name of the person signed to the paper which you sent me is the same as that of the minister at Sunrise, and I assume that she is the minister's wife.

At the time of the Ludlow affair the minister was very outspoken in his criticism of the coal companies, but seemed to regret his action when informed of the facts concerning that disturbance. He has socialistic tendencies, however, and I have been informed that his wife is a Greek, yet they may both be perfectly honest, and it is possible the charges made by the lady are true. At the same time it is rather hard to understand that such practices as the doctor is charged with could have been indulged in without our hearing complaints from other quarters, unless the mine superintendent and others in authority are in the conspiracy with him.

The matter is of such grave importance that I will have it investigated thoroughly at once, and, of course, will advise you of the results.

We have thought some of changing the minister at Sunrise, but have refrained from taking a course that would be unfair to him or would indicate a prejudice against him because of what may have been simply indiscreet statements in connection with the Ludlow outbreak.

The charges against the doctor rather overshadow those made against the foremen referred to, yet I shall investigate the latter quite as thoroughly as the former, and if I find that the charges against the foremen are correct I shall not only put a stop to the practices but dispense with the services of the men who have been guilty.

Yours, very truly,

JESSE F. WELBORN.

Do you know that letter? Was that letter presented to you?

Mr. ROCKEFELLER, Jr. I think I have seen that letter.

Chairman WALSH. What disposition, if any, was made of the minister at Sunrise?

Mr. ROCKEFELLER, Jr. I have not heard.

Chairman WALSH. The Ludlow affair referred to there was a conflict that took place between certain of the striking miners and the military in which a number of lives were lost?

Mr. ROCKEFELLER, Jr. The Ludlow affair?

Chairman WALSH. I say the Ludlow affair, to which this minister referred, was a conflict between the military and certain striking miners in which a number of lives were lost.

Mr. ROCKEFELLER, Jr. Are you asking a question?

Chairman WALSH. Yes; in a leading form.

Mr. ROCKEFELLER, Jr. I do not think I get the question.

Chairman WALSH. Probably you have not carried the letter with you as I have, as it was easier for me to do. One of the paragraphs says:

"We have thought some of changing the minister at Sunrise, but have refrained from taking a course that would be unfair to him or would indicate a prejudice against him because of what may have been simply indiscreet statements in connection with the Ludlow outbreak."

Was not the Ludlow outbreak a conflict between the military and certain striking miners and persons with them in which a number of lives were lost?

Mr. ROCKEFELLER, Jr. So I understand.

Chairman WALSH. You know that, do you not? That has been brought to you directly by reports?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. You say you do not know what became of the minister at Sunrise.

Mr. ROCKEFELLER, Jr. I have not heard.

Chairman WALSH. Suppose that the minister at Sunrise was sent away from there or discharged by your executive officers on account of the indiscreet remarks about the company, would you consider that within the scope of their executive duties?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I should hardly feel that it was fair to the officers for me to try to pass judgment on a matter of that kind without having all of the facts, and it seems to me that the spirit shown in the letter of Mr. Welborn indicates his earnest desire to find out the facts. If the facts are to any considerable degree prejudicial to the man in question, the situation should be properly dealt with. It seems to me that it is a perfectly fair letter and shows an entirely praiseworthy spirit, and what the outcome has been I have not heard, but I am sure that it will be followed up by Mr. Welborn and proper action taken.

Chairman WALSH. Then you think, if it turned out to be the fact that in the judgment of Mr. Welborn the remarks made by the minister were indiscreet, it would be perfectly proper to discharge him, do you?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I do not understand that is the only matter mentioned in the letter about the minister; that is only one thing in passing. As the letter was read, and you are more familiar with it than I, I gathered that there were other things charged.

Chairman WALSH. The charges were that he was outspoken in his criticism of the coal companies, that he had socialistic tendencies, and the information was that his wife was a Greek.

Mr. ROCKEFELLER, Jr. I can not deal with any of those situations, because I do not know the facts.

Chairman WALSH. Do you say, then, as a citizen, leaving out the question of your being a director, that an industrial company engaged in business for profit should have anything to say about the remarks of a minister?

Mr. ROCKEFELLER, Jr. I think decidedly not, but that the minister should be allowed to say things which he believes to be right without question. I thought you were trying to get me to answer in regard to specific things, and I did not feel adequately informed to deal with them.

Chairman WALSH. I will leave the Colorado Fuel & Iron Co. matter and ask the general question, whether as a citizen you think the executive officers of an industrial company ought to have the power to discharge a minister for expressing his views on matters of the life and death of human beings?

Mr. ROCKEFELLER, Jr. My answer was, without exception, that there should be absolute freedom of speech.

Chairman WALSH. And that would apply to the Colorado Fuel & Iron Co. as well as any other company?

Mr. ROCKEFELLER, Jr. It would certainly include that company.

Chairman WALSH. Where the whole village is owned—that is, the property in a whole village—is owned by one company, do you think the director has any duty to see that republican institutions are maintained?

Mr. ROCKEFELLER, Jr. I certainly think that a director has every duty with reference to the conduct of the affairs of the company, and it is the purpose always of the directors—it has been in this case—to see that republicanism—that, is the principles of democracy—were given free scope in every instance.

Chairman WALSH. Have you ever met a gentleman by the name of Jefferson Farr?

Mr. ROCKEFELLER, Jr. I never heard of him.

Chairman WALSH. You never heard of Jefferson Farr?

Mr. ROCKEFELLER, Jr. I never had the pleasure.

Chairman WALSH. What are the names of the counties in which your mines are located in Colorado?

Mr. ROCKEFELLER, Jr. I could not tell you.

Chairman WALSH. Did you ever hear of the political subdivision of Colorado known as Huerfano County?

Mr. ROCKEFELLER, Jr. Yes; I knew there was such a county there.

Chairman WALSH. Did you know you were a director of a company that owned mines in that county?

Mr. ROCKEFELLER, Jr. Yes; I know the Colorado Fuel & Iron Co. owns mines in that county.

Chairman WALSH. Did you ever hear of a political subdivision of Colorado known as Las Animas County?

Mr. ROCKEFELLER, Jr. I have.

Chairman WALSH. Does the Colorado Fuel & Iron Co. own mines in that county?

Mr. ROCKEFELLER, Jr. I think it does; but I do not pretend to remember the counties in which its mines are situated.

Chairman WALSH. And likewise, Mr. Rockefeller, did you ever hear of a gentleman by the name of Melish?

Mr. ROCKEFELLER, Jr. I do not know that gentleman.

Chairman WALSH. You are, of course, opposed to the use of violence in labor disturbances or any place else?

Mr. ROCKEFELLER, Jr. I certainly am.

Chairman WALSH. You believe, of course, in the integrity of the law and the duty of every citizen to uphold it, whether a director in an industrial company or otherwise?

Mr. ROCKEFELLER, Jr. I do.

Chairman WALSH. Did you know that Jefferson Farr was the sheriff of Huerfano County and that your company uses its influence to elect him sheriff, and has been doing so for the past 15 years?

Mr. ROCKEFELLER, Jr. No; I do not know anything about that, Mr. Chairman.

Chairman WALSH. Was your attention called to the fact that on and before September 1, 1913, and before any strike was called affecting any of the mines in Huerfano County that Mr. Farr swore in 326 men and commissioned them as deputy sheriffs; that Mr. Farr did not know these men personally and that, so far as he knew, many of them might have been red-handed murderers and criminals; that the county did not pay these men, but that Superintendent Mattison, of the Colorado Fuel & Iron Co., told them that they were to be furnished arms and paid by the Colorado Fuel & Iron Co.? Assuming those facts to be correct, would you say that such conduct was a menace to the peace of the county as well as a republican form of government?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I am not familiar with the matters in connection with the handling of the strike, and it would be impossible for me, at this distance, to have suggested how proper protection should be secured for the property which the officers of the company represent and for the lives of the men working for the Colorado Fuel & Iron Co. I do not see how I could express an opinion on those matters.

Chairman WALSH. Speaking as a citizen, would such a practice be a menace to the peace of the community where it was carried out and dangerous to democratic institutions?

Mr. ROCKEFELLER, Jr. I should have to get you to make that statement again, because it is a little involved, and I do not retain the details of it in mind.

Chairman WALSH. Mrs. Harriman suggests that I make it clear to you that it was testified to by Jefferson Farr on the stand, as to what he did in securing these men and commissioning them, and the dates thereof. It was not testified to by Sheriff Farr on the stand that he was elected through the influence of your company, but he did testify that he was supported by the officers of your company. I think that makes it clear.

Mr. ROCKEFELLER, Jr. Would this give you the information you want? If not, I would like to have the question repeated in detail. That anything that interferes with the operation of a democratic form of government is to be deplored and should be avoided. You know that cases sometimes arise that can not be foreseen, and situations arise that have to be dealt with separately; but anything that interferes with a democratic form of government should not be tolerated.

Chairman WALSH. Is it not true always—does ever an occasion arise where the practice and theory of a democratic form of government should be set aside temporarily, in your opinion?

Mr. ROCKEFELLER, Jr. I should concede, for instance, that if a man should break into my house that it would be the duty of the officers of the law to deal with such a case, yet, for the protection of my family and myself, it might be necessary for me to take some action. That I would regard as unfortunate, but that would be a situation, a distinct situation, that would require specific treatment; and that illustrates a situation when the regular forms of law for the preservation of the peace might for the moment not be adequate.

Chairman WALSH. Do you recall my question enough to think that the necessary defense of persons and property furnishes a parallel case to what I have stated? Or perhaps I had better have the question read to you.

Mr. ROCKEFELLER, Jr. I should say—

Chairman WALSH (interrupting). I will have the question read. Mr. Reporter, please read that question.

The REPORTER (reading):

"Was your attention called to the fact that on and before September 1, 1913, and before any strike was called affecting any of the mines in Huerfano County, that Mr. Farr swore in 326 men and commissioned them as deputy sheriffs; that Mr. Farr did not know these men personally and that so far as he knew

many of them might have been red-handed murderers and criminals; that the county did not pay the men, but that Superintendent Mattison, of the Colorado Fuel & Iron Co., told them they were to be furnished arms and paid by the Colorado Fuel & Iron Co.? Assuming those facts to be correct, would you say that such conduct was a menace to the peace of the county as well as a republican form of government?"

Mr. ROCKEFELLER, Jr. I should say that if the officers of the Colorado Fuel & Iron Co. thought there was danger impending to the company and the lives of its employees in a remote section of the country where the ordinary forms of protection were not adequate, that it would be their duty to take any steps they might feel should be taken in an emergency case to protect such lives and such property, and I can fancy that a situation like that arising might not make it always possible to do the thing most desirable, but one has to do some things in an emergency. I assume this situation was a situation of this kind, and the officers of the company felt their first duty was for the protection of lives and property, and they did what seemed to them wise. I should not be able to pass on the propriety of their actions in that instance without knowing all of the circumstances; but I would say unhesitatingly that anything that interferes with a democratic form of government is always to be deplored and avoided absolutely unless the protection of lives and property in such a situation as that makes it necessary that some immediate action be taken.

Chairman WALSH. You observe the question states that this was done on and prior to September 1, 1913, and the strike was not called until September 23, and you also had in mind in answering that question, Mr. Rockefeller, that this sheriff appointed men whom he did not know and who, as far as he knew, might have been criminals and red-handed murderers; you observed all of that, when you made your answer, did you not?

Mr. ROCKEFELLER, Jr. Yes; and it is fair to say that while they might have been red-handed murderers and criminals, yet, on the other hand, they might not have been, but might have been peaceable and law-abiding citizens desirous of maintaining order. And might I also say that although this was before the strike was called, the officers of the company believed that difficulties were planned, and thought they owed it to the lives of their employees and the property intrusted to them, to be prepared to protect such lives and property? I think there are many circumstances which one would have to know much more about than I do in order to judge fairly of that situation.

Chairman WALSH. Did you read the reports in the dispatches of the Associated Press containing the testimony of Jefferson Farr, sheriff of Huerfano County in the congressional investigation and in the investigation of this commission?

Mr. ROCKEFELLER, Jr. No, Mr. Chairman.

Chairman WALSH. Do you believe that it should be made unlawful for private detective agencies to keep bodies of armed men enrolled for the purpose of transporting them from State to State to be used while labor disputes are in progress?

Mr. ROCKEFELLER, Jr. That is a question that I have no knowledge at all about, Mr. Chairman.

Chairman WALSH. What is your information about it as a citizen?

Mr. ROCKEFELLER, Jr. I believe whatever measures may be necessary in order to protect life and property in emergency situations, must be adopted. If my wife and my family were thus threatened I should take whatever measures I could. I would consider afterwards the propriety of them, but I would adopt the thing that I felt was my first duty.

Chairman WALSH. Do you believe the Government is strong enough in this country to protect the property and lives of its citizens, or that a stage has been reached where that matter must be left to private endeavor?

Mr. ROCKEFELLER, Jr. I certainly believe that the Government is strong enough to protect the lives of its citizens. I should think, as is constantly shown, Mr. Chairman, there arise instances where the forces of law are not gathered in sufficient quantity at a specific point to meet every emergency that may arise, and I should think that situation had developed in Colorado, that there was a time when the State of Colorado was not able to maintain law and order.

Chairman WALSH. Did I understand you to say that you knew nothing about the alleged system of transporting men from State to State by detective agencies in industrial disputes—armed men?



Mr. ROCKEFELLER, Jr. It is a matter I have never had any occasion to know about, Mr. Chairman.

Chairman WALSH. Has your attention ever been called to any such practice?

Mr. ROCKEFELLER, Jr. I have heard, as one hears, that detectives are employed from time to time, and in one place or another.

Chairman WALSH. Was your attention ever called to the fact—I will ask you—was your attention ever called to the fact that your company in Colorado had made a practice for a long time of having detectives go into the mines pretending to be regular workmen, for the purpose of spying upon the workmen and reporting to the company what their attitude might be toward organization?

Mr. ROCKEFELLER, Jr. My attention has never been called to that fact.

Chairman WALSH. If they did that, would you believe, when the detectives reported that the men were in favor of organization and talking organization, that they were discharged—would you believe that to be in conformity with the expressed desirability upon your part of workmen organizing for their own protection?

Mr. ROCKEFELLER, Jr. Whenever men might seek to propagate the politics or labor doctrines or religion any place where it did not interfere, during the daytime, with the work of the men, or where it did not interfere with the peace of the community, I certainly feel that the greatest freedom should be given.

Chairman WALSH. And if you found that great freedom was denied the men working in the Colorado Fuel & Iron Co., what would you do to the executive officer; what action would you take if you found it was denied them?

Mr. ROCKEFELLER, Jr. I should expect the executive officers to be able to justify their course, or else to stand ready to take whatever criticism or what ever action the directors might think appropriate under the circumstances.

Chairman WALSH. What action would the directors, would you as a director, think appropriate, assuming that these rights were denied in that matter?

Mr. ROCKEFELLER, Jr. There, again, Mr. Chairman, it does not seem to me I could be entirely fair to the employees of the company in which we have an interest were I to pass judgment on their specific acts without knowing all the facts in relation thereto. While I am not in any way endeavoring to, nor do I desire to, evade the question, I do not think it is a fair position for me to take to pass such judgment.

Chairman WALSH. Have you ever undertaken to make a personal investigation of any case of alleged abuse of that kind?

Mr. ROCKEFELLER, Jr. No; I have not had the opportunity.

Chairman WALSH. You made some mention yesterday about having intended to go to Colorado if it had not been for this hearing. Have you been to Colorado since the strike of 1903?

Mr. ROCKEFELLER, Jr. I have not been there for 10 years. Whether it was just before the strike or just after the strike I can not recall, but it is about 10 years.

Chairman WALSH. Can you recall whether you made an inspection of conditions when you went there, with reference to any strike that had taken place in your industry prior to your going to Colorado?

Mr. ROCKEFELLER, Jr. I made such inquiries as I went about over the works, the mines, etc., as would naturally suggest themselves to a director who was interested in the properties, in the various matters pertaining to their management, but I can not recall at this time, 10 years distant, just what inquiries I did make.

Chairman WALSH. And do you recall the fact as to whether the strike took place before or after your visit?

Mr. ROCKEFELLER, Jr. I am not clear on that, Mr. Chairman.

Chairman WALSH. Do you believe that a corporation such as the Colorado Fuel & Iron Co. should take part in politics, the election of public officials?

Mr. ROCKEFELLER, Jr. I do not believe that any corporation, as a corporation, can take part, or should take part. It is illegal for a corporation, as I understand it, according to the laws of many of the States, to take part.

Chairman WALSH. If that were the case in Colorado, what action would you take toward the executive officer that did take part in politics and sought to, and at times did, control party conventions and the result of elections, both of the election of officers and the adoption of constitutional amendments where the people have that power?

Mr. ROCKEFELLER, Jr. I should always use my influence as a director and as a stockholder to the fullest extent possible in preventing anything of that kind, because I utterly disbelieve in it.

Chairman WALSH. If you were brought face to face with a concrete case, that an executive officer did do it, it was absolutely proven, or at least the executive officer admitted it, would you cast your vote to discharge him?

Mr. ROCKEFELLER, Jr. Again, Mr. Chairman, in justice to the official, I should feel that it would not be appropriate for me to pass judgment in advance of knowing all of the facts and the circumstances surrounding such an instance. But I should say unhesitatingly I should always use my fullest influence against a practice of that kind, because I believe that it is harmful and wrong in every way.

Chairman WALSH. But I am asking now, if the officer admitted that he did do it—I am not saying any specific officer—would you cast your vote as a director to discharge him, or would you just tell him that you utterly abhor such a practice and allow him to go on through to the next election?

Mr. ROCKEFELLER, Jr. My course would have to be governed, Mr. Chairman, by the facts as they developed, as considered in all their aspects, and I should use my influence always in every way to prevent that kind of practice.

Mr. WALSH. Do you care to state, specifically, Mr. Rockefeller, whether or not if an executive officer admitted that in order to influence the officers after they were elected, as an officer of your company, he took part in an election, used money and used influence, and that he admitted it, admitted it to you, would you, in that event, cast your vote to discharge the officer from the employment of the company?

Mr. ROCKEFELLER, Jr. I should think, without question, that any man who would do a dishonest act in one situation would do it in another. I would not want him associated with me.

Chairman WALSH. Then do you mean by that, that your disinclination to have him associated with you would go so far as for you to cast your vote as a director to discharge him from the service of the company?

Mr. ROCKEFELLER, Jr. I think I should want to use all the influence I had to separate such a person from the corporation with which I was related. I would want to use my influence as far as possible to separate such a person from the management of the corporation in which I was interested.

Chairman WALSH. Then I take it you would discharge him as the first step?

Mr. ROCKEFELLER, Jr. I should assume that would be one of the steps, Mr. Chairman. I would not like to describe just what the course would be, but I certainly would not want to have him associated in the conduct of the business I was interested in or responsible for.

Chairman WALSH. Very good. Now, what other process of separation would there be, aside from the discharge from the company?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. I read you a list yesterday of personal injuries and deaths of employees in the Colorado Fuel & Iron Co., and the amounts that were paid to the injured persons or their survivors. Now, that was the list, I might inform you, that was furnished by the president of your company in Colorado; and it contained the names or the cases of the last 25 persons killed or injured, running back from November 25, 1914, and the amount that the companies paid them. I just state them for your information, to begin with. Are you aware of the fact there has been no verdict rendered in a case of an injured person or the survivors of a dead workman killed in your industry for the past 23 years?

Mr. ROCKEFELLER, Jr. I am not.

Chairman WALSH. In Huerfano County, has your attention ever been called to that fact, if it is a fact?

Mr. ROCKEFELLER, Jr. It has not.

Chairman WALSH. Would you believe, if such was the fact, and if the company did exercise an influence in elections, that there was a connection between those two conditions?

Mr. ROCKEFELLER, Jr. I do not think I know enough of the situation to know, Mr. Chairman. But I can not too strongly express my view as utterly deploring and being opposed to anything that subverts or is antagonistic to or destructive of the full expression of the principle of democratic government. You have desired me to answer in specific cases. I have not wanted to avoid

such answers, but I want you to understand me that my attitude is abhorrent to that sort of thing, and my influence would always be exercised against it.

Chairman WALSH. Have you received letters from time to time, communications from injured persons, complaining against disability to receive compensation or to receive justice?

Mr. ROCKEFELLER, Jr. I do not recall any such letter from any such person.

Chairman WALSH. I read you a letter, handed me by Mr. Manly, of January 17, 1915, as follows:

"Your letter of the 14th received, and I will endeavor to answer your questions.

"I first went to work for the Colorado Fuel & Iron Co. August 4, 1903, as a roll hand in the rod-mill department. While working in this department, I received my first injury, on August 29, 1903. While cutting off a bar a piece flew from the hot rod and bounced back, striking me in the right eye, splitting the eyeball, with several minor burns. The result—blind in my right eye and disfigured for life. After I recovered John Y. Brooks, the superintendent in charge at the time, told me I would have a lifelong position with the Colorado Fuel & Iron Co.

"The next injury I received was on August 15, 1906—a sprained right limb, caused by the company putting a wooden cover where there should have been an iron cover, over a grease box on a line shaft. I fell through this wood cover, my foot caught and twisted my leg. This injury resulted in a compound rupture of the ligaments and nerves, which is also incurable.

"The last injury I received was on the 21st of May, 1909. The company was at fault for putting an inexperienced man in a responsible position. Through his mistake I received a blow on the left knee from a hot rod, causing a broken cartilage in the knee. This knee bothers me greatly at times and will the rest of my life.

"After this injury I had to come home to my people in this city. After recovering enough to do some light work, I tried to go back to the Colorado Fuel & Iron to work, but they had no work for me. Then I wrote to the claim agent in Denver, but through moving around I lost his letter. I am sorry, as I would like very much to send it to you. He told me the Colorado Fuel & Iron could do nothing for me and sent me his deepest sympathy. Then I tried to in many ways get a personal interview with John D. Rockefeller, sr., but always failed. Then I wrote on two different occasions to Mr. John D. Rockefeller, jr., at 26 Broadway, New York, but received no answer. I finally wrote to William Jennings Bryan, Secretary of State, but received no reply. I then wrote to J. W. Bryan, Representative from Washington. I will send you his reply. I will also send you the only letter I received in regard to this and in answer to all I wrote. If through your influence you could get some compensation for the crippled and disabled condition I am in, I would surely appreciate it and perhaps will be able in the future to do something in return. I find it hard to find employment with any livable wages, for no one wants to have a cripple, and I have got to live and look out for my family, which comes very hard at times.

"Thanking you for the interest that you have shown, and hoping to hear from you in the near future, I remain,

"Respectfully, yours,

"W. J. DALTON.

"567 East One hundred and fifteen Street, Cleveland, Ohio."

Mr. ROCKEFELLER, Jr. May I ask to whom the letter is addressed?

Chairman WALSH. Well, it is addressed to Mr. Basil M. Manly. Mr. Dalton having written in and saying inasmuch as a hearing was to be had here he would like to call attention to his own condition. It is one of the many letters received by Mr. Manly, and he answered the letter and asked him to give his statement in order to ascertain, if possible, what knowledge you gentlemen had of the conditions and what responsibilities you felt therefor. Now, this is the letter he refers to as the only letter that he received:

FOREST HILL.

Cleveland, Ohio, June 24, 1912.

DEAR SIR: Answering yours of recent date addressed to Mr. Rockefeller, we regret, but as Mr. Rockefeller is here simply for rest and recreation he makes no appointments to take up business matters.

Mr. Rockefeller does not personally consider questions of business or benevolence, having left these matters to his committee at No. 26 Broadway, New York, since his retirement some 10 or 15 years ago.

Very truly, yours,

HARRY D. SIMS, *Secretary*.

You don't recall receiving the letter from Mr. Dalton or any other letters of a similar nature?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. Would you be kind enough at the noon recess to ask whoever may have charge of the correspondence to produce any correspondence that may be with Mr. Dalton in your files?

Mr. ROCKEFELLER, Jr. May I have the name in full, please?

Chairman WALSH. William J. Dalton, 567 East One hundred and fifteenth Street, Cleveland, Ohio. The letter from Mr. Harry D. Sims, secretary, is dated June 24, 1912.

Mr. ROCKEFELLER, Jr. William J. Dalton, 567 One hundred and fifteenth Street, Cleveland, Ohio.

Chairman WALSH. Yes; Cleveland, Ohio.

Mr. ROCKEFELLER, Jr. And the date of the other letter?

Chairman WALSH. The date of the other letter of Mr. Sims in reply to Mr. Dalton's letter is June 24.

Mr. ROCKEFELLER, Jr. And Mr. Dalton's letter is of what date?

Chairman WALSH. Mr. Dalton's letter is not here; the only letter quoted was the letter signed Mr. Harry D. Sims, secretary.

Mr. ROCKEFELLER, Jr. I thought you read a letter of Mr. Dalton to Mr. Manly.

Chairman WALSH. Yes—that I gave to you, but I am asking you to have here the correspondence that may be in your file.

Mr. ROCKEFELLER, Jr. Whether we received any letter from Mr. Dalton?

Chairman WALSH. Yes; and any correspondence had with Mr. Dalton or your secretaries may have had with him.

Mr. ROCKEFELLER, Jr. It would be interesting to know what replies Mr. Dalton has received from Mr. Bryan and other people.

Chairman WALSH. Well, now, you have that address, Mr. Rockefeller, and Mr. Dalton is a gentleman that seems to express himself very clearly, and if you drop a note to Mr. Dalton he would undoubtedly let you know. We have no such replies. So I have no doubt that Mr. Dalton would give you further information, Mr. Rockefeller.

Mr. ROCKEFELLER, Jr. Yes; thank you.

Chairman WALSH. Do the superintendents of the Colorado Fuel & Iron Co. dictate the selections of school-teachers?

Mr. ROCKEFELLER, Jr. That I do not know.

Chairman WALSH. Do you think it would be proper for an industrial corporation engaged in an industry for profit to do that?

Mr. ROCKEFELLER, Jr. I should think it would be most unfortunate.

Chairman WALSH. Do you, as a director of the Colorado Fuel & Iron Co., have your attention called to the general orders issued by the executive heads of the corporation in Colorado and posted at its mines?

Mr. ROCKEFELLER, Jr. I do not. I think that is not customary in any organization of the kind.

Chairman WALSH. Do you think it ought to be customary to know at least the general orders that are issued in writing by the superintendents and other executive heads touching upon the relations of the company with its employees?

Mr. ROCKEFELLER, Jr. I think it would be highly desirable, Mr. Chairman, if it were possible.

Chairman WALSH. Just one question before I get to that educational proposition. You made statements as to your lack of knowledge as to certain conditions yesterday on account of being pressed with other matters. Have you ever estimated the amount of time that it would take, and effort, to inform yourself fully as to all these conditions?

Mr. ROCKEFELLER, Jr. I have not had the time to make that estimate, Mr. Chairman.

Chairman WALSH. In a general way, please describe how you are occupied—how your time is occupied.

Mr. ROCKEFELLER, Jr. I described in a general way yesterday, Mr. Chairman, that I devoted a considerable portion of my time to directing, with others,

the interests of the several foundations which my father has established and in giving time to questions of investment.

Chairman WALSH. How much time would you say of your day is devoted to the foundation work?

Mr. ROCKEFELLER, Jr. It is so utterly irregular, Mr. Chairman, that it would be difficult to say. I do not have an hour for this and an hour for that. Sometimes I give a whole day to the matters of the foundations and sometimes I do not give any time to them.

Chairman WALSH. Have you ever considered the question of delegating to some other body or department the duty of taking care either of the finances or investments so that your attention might be turned directly on to the affairs of the Colorado Fuel & Iron Co., so far as the conditions of the workers in the industry are concerned?

Mr. ROCKEFELLER, Jr. I have never thought of it just in that light, namely, the giving up of all the other interests which have seemed to come to me to look out for and devote myself solely to the Colorado Fuel & Iron Co.

Chairman WALSH. How many directors' meetings of the three companies that you have mentioned would you say you have attended during the past year?

Mr. ROCKEFELLER, Jr. As I said, the Manhattan Railroad Co., I think, has a quarterly directors' meeting. I think I have attended in the last year two, anyhow, and perhaps three of those meetings.

Chairman WALSH. How long did it take?

Mr. ROCKEFELLER, Jr. Well, as I said before, the duties of the directors are simply to see that the conditions of the lease are properly complied with, so that the meeting is not usually a long meeting. It is a question of reading the minutes of the last meeting and considering any detailed business that may come up. I suppose 15 or 20 minutes or half an hour.

Chairman WALSH. Now, what other companies—the insurance company you mentioned—how many meetings of the directors of that company did you attend during 1914?

Mr. ROCKEFELLER, Jr. I couldn't state, but I presume I have attended at least half of them, and they are held monthly.

Chairman WALSH. And about how long do those meetings last?

Mr. ROCKEFELLER, Jr. Well, I should think half an hour would cover the usual meeting.

Chairman WALSH. Now, the Colorado Fuel & Iron Co.

Mr. ROCKEFELLER, Jr. The meetings of the directors of the Colorado Fuel & Iron Co., as I stated yesterday, have been held in Colorado for a number of years past. Therefore I have attended none of those meetings.

Chairman WALSH. On the question of what might be called the general condition of the workers in the industry in Colorado, do you believe that you could get reports touching upon all of these subjects and consider them, say—go over them—say, within the week of the meeting of the board of directors, if it was held continuously that long?

Mr. ROCKEFELLER, Jr. Oh, I would suppose so.

Chairman WALSH. Did you hear Mr. Ford testify when on the stand?

Mr. ROCKEFELLER, Jr. I was not so fortunate.

Chairman WALSH. Did you read his testimony?

Mr. ROCKEFELLER, Jr. I have just skimmed it.

Chairman WALSH. How many men, when you are running full time—how many workers are engaged in the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I could not state that, Mr. Chairman.

Chairman WALSH. Approximately how many?

Mr. ROCKEFELLER, Jr. A number of thousand.

Chairman WALSH. Running normally and free-handed, I believe Mr. Welborn stated that there were about 15,000 employed in the Colorado Fuel & Iron Co.

Mr. ROCKEFELLER, Jr. In the Colorado Fuel & Iron Co. alone, or generally in the industry?

Chairman WALSH. In the Colorado Fuel & Iron Co., my recollection is, and Mr. Manly's, I may be wrong about that, however, Mr. Rockefeller—

Mr. ROCKEFELLER, Jr. (interrupting). Well, I could not give you that, because I do not recall.

Chairman WALSH. I think the estimate is 6,000 in the mines and the balance scattered. Could you say within several thousand how many employees there are in the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. No; I would not know, Mr. Chairman.

Chairman WALSH. Where are the properties of the Colorado Fuel & Iron Co. located that are being worked at the present time—how many States?

Mr. ROCKEFELLER, Jr. You mean coal properties?

Chairman WALSH. Any properties of the Colorado Fuel & Iron Co.—coal properties, blast furnaces, or anything of the sort.

Mr. ROCKEFELLER, Jr. The coal properties, so far as I know, are in the State of Colorado. The blast furnaces are at Pueblo. The iron property to which you referred yesterday is in Wyoming. I think there is some ownership in an iron property in Utah, though I am not sure.

Chairman WALSH. Is it being worked at the present time?

Mr. ROCKEFELLER, Jr. That I don't know.

Chairman WALSH. Well, the suggestion was made by Mr. Ford here that he not only conducted the operations of that business, but that he had a department of that business that even went so far as to find out how the men lived after they left the industry, and that there were 18,000 engaged in the industry, scattered all over the world. Did you read that, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. No; I did not.

Chairman WALSH. Could a department be established under the board of directors of the Colorado Fuel & Iron Co. in the city of New York that would keep you thoroughly apprised of all conditions affecting your employees, whether at work in your mines, or as they might be affected by the social activities which you say you are compelled to undertake, such as the furnishing of schoolhouses and the like and the commissary?

Mr. ROCKEFELLER, Jr. I think it would be entirely possible. May I point out, Mr. Chairman, now that you have spoken of Mr. Ford, just this thing: I think Mr. Ford's testimony revealed the fact that his company was making a great many millions of dollars a year in profits in addition to the wages paid and the moneys put back into the business. Of course, it would be possible, in entire justice to the stockholders, to develop a very extensive sociological department at a high cost with such very satisfactory profits. I think you will agree that in the case of the Colorado Fuel & Iron Co., where the common-stock holders have had no return—well, for 12 or 14 years; I don't know when they ever did have a return—that the officers, in justice to the stockholders as well as to the employees, must not increase the expenses of departments, however desirable, any more than is absolutely necessary. I think that is a fact which is proper to be considered in connection with comparing the two companies.

Chairman WALSH. But when they undertake to indulge in these enterprises of a social nature that you have mentioned, growing out of the necessities on account of the isolation of the industry, would you not say that so far as the workers were concerned they should discharge that duty with understanding and with justice, and that what you said yesterday would apply to that situation—that unless the well-being of the worker be taken care of the industry should be abandoned?

Mr. ROCKEFELLER, Jr. It may come to that with this industry. We can not go on indefinitely without profits. The stockholders would naturally want to withdraw their money. It may come to that. It will be a question, probably, whether the workers would prefer that the industry be closed.

Chairman WALSH. My question was, Was that one of the duties that you would feel ought to be discharged if the industry was to go on?

Mr. ROCKEFELLER, Jr. Why, certainly, Mr. Chairman; and that is what the officers are trying to do, so far as I understand it. They may not be doing all that they should do or doing it in the best way. Few of us are; but that they are trying, I certainly think is clear. And the alternative would be as to whether they should disregard that duty entirely and provide no such facilities. For myself, as a director—I was saying, Mr. Chairman, that perhaps the alternative should be that the officers should abandon the effort to provide these facilities to which you refer; but for myself I, as a director, would feel that it was better to perform and deal with those obligations fairly well than not to deal with them at all. Of course, the ideal thing would be to deal with them in the very best and most satisfactory way.

Chairman WALSH. What effort have you made personally to reach the ideal which you have expressed?

Mr. ROCKEFELLER, Jr. Mr. Chairman, that is a matter which we have left to the executive officers, and I can only believe that according to the opportunity and ability which they have they are undertaking to discharge that important responsibility.

Chairman WALSH. Am I to take from that that that matter having been left to the executive officers that you have made no effort toward reaching that ideal, so far as your personal effort is concerned?

Mr. ROCKEFELLER, Jr. I have not supposed that a director could take up on the ground and undertake personally to direct such matters. But now that this and other matters of a similar nature have been specifically called to my attention through the courtesy of the commission, they are matters which I shall very naturally take up with great care as the opportunity presents itself.

Chairman WALSH. Were there matters brought out and called to your attention by this commission that were not brought out to your attention by the investigation by the committee of Congress?

Mr. ROCKEFELLER, Jr. I have never read the full testimony of that investigation, Mr. Chairman, which is exceedingly voluminous.

Chairman WALSH. Did you read the accounts of it published in the New York newspapers?

Mr. ROCKEFELLER, Jr. Only just as I say—the headlines, and that sort of thing.

Chairman WALSH. In your office have you a branch of your publicity department which collects the clippings from newspapers touching on matters affecting your industries?

Mr. ROCKEFELLER, Jr. You mean all industry?

Chairman WALSH. Your industries.

Mr. ROCKEFELLER, Jr. Are you speaking in the plural or referring to the Colorado Fuel & Iron Co.?

Chairman WALSH. I say your industries; that would include others as well as the Colorado Fuel & Iron Co.

Mr. ROCKEFELLER, Jr. No; we have not had such a bureau.

Chairman WALSH. But you have a department in your office which takes the clippings covering what things might be in the newspapers regarding the Colorado Fuel & Iron Co. and the Colorado situation?

Mr. ROCKEFELLER, Jr. Since the strike came on and since the events which developed out of that have occurred I have myself in reading the papers, whenever I have seen anything that had a direct bearing, made it a point to have such items cut out and kept.

Chairman WALSH. You say you did not read the congressional record or transcript of the evidence taken by the congressional committee?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. And did you read the details published in the New York newspapers concerning the alleged testimony brought out?

Mr. ROCKEFELLER, Jr. There was such a mass of matter that came out in the papers and other publications at that time that I did not undertake to read it all.

Chairman WALSH. Did you read the headlines?

Mr. ROCKEFELLER, Jr. I did; I read the morning and evening papers. Other than that I did not. I did not undertake to read it all.

Chairman WALSH. Did you read the headlines?

Mr. ROCKEFELLER, Jr. I did, as I read the morning and evening papers. Other than that I did not.

Chairman WALSH. Do you not read anything but the headlines about the matters that took place in Colorado as brought out in the hearing of the Committee on Mines and Mining?

Mr. ROCKEFELLER, Jr. You asked me if I had read the testimony or comments on the testimony. I have not read them.

Chairman WALSH. Do you read the editorial notes in the newspapers in regard to matters growing out of dealings of the Colorado Fuel & Iron Co. with its employees, and what might be called the Colorado situation?

Mr. ROCKEFELLER, Jr. I do not take all the papers with that in view; but the papers I do currently read. I read the editorials, and am apt, of course, to see them.

Chairman WALSH. What papers do you currently read?

Mr. ROCKEFELLER, Jr. That is rather an embarrassing question to ask me in the presence of the fraternity of the press.

Chairman WALSH. Well, I don't think that these gentlemen—that it will make much difference to them. Just go ahead and tell us.

Mr. ROCKEFELLER, Jr. Well, with apologies to them, I will say that I usually read the Times in the morning and the Sun and the Post in the evening.

Chairman WALSH. Now, Mr. E. H. Weltzel is the general superintendent of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. He is the general superintendent of the coal department of the Colorado Fuel & Iron Co.

Chairman WALSH. Of the coal department. Was your attention ever called to a general letter issued by him to all superintendents dated July 2, 1912, notifying them in their capacities as superintendents and school directors that one Walter Merritt had been appointed supervisor to camp schools, and requesting all superintendents to send the names of the applicants for school-teachers to Mr. Merritt, and that in future the selection of teachers should be taken up with Mr. Merritt before any selection is made?

Mr. ROCKEFELLER, Jr. No; I never heard of that letter.

Chairman WALSH. You never heard of that? If it were true, would you, in your capacity as a director, take action in accordance with your views on that subject as expressed a few moments ago?

Mr. ROCKEFELLER, Jr. May I just say this, Mr. Chairman, to make that situation a little clearer? I don't know whether the Colorado Fuel & Iron Co. in any of its more isolated mines supports a school-teacher or not. If it does, I should think that the officers of the company would naturally be responsible for the selection of the incumbent of that position. Now, in so far as that might be the condition, I would say that they were entirely justified in so doing.

In a community where the Colorado Fuel & Iron Co. did not support such a teacher, and where it made no contribution toward the support of the teacher, I should think the company as a company should naturally not have anything to do with the selection of the teacher. But it may very possibly be that the officials of the company in that community would have responsibilities as citizens which might lead them to make suggestions in such matters. I am speaking in a hypothetical way, because I do not know the facts.

Chairman WALSH. Do you believe that an industrial company engaged in business for profit alone under any pretext should select the teachers for the children of the employees of that company?

Mr. ROCKEFELLER, Jr. My previous answer was intended to cover that, Mr. Chairman. If it was in an isolated community of which the company owned all the property and the inhabitants of which were all employees of the company, and there was no one else to supply the teacher and there would be no teacher unless the company paid the teacher, I should think it was not only proper but the duty of the company to select its teacher and to have its local officials use their best judgment in making the selection. I do not see how else a teacher could be provided.

Chairman WALSH. Then you do believe that an exigency might arise in which an industrial company, organized for profit, might provide all of the school-teachers, following your logic, for all of the children of the workers in that industry?

Mr. ROCKEFELLER, Jr. If it were true, following the logic, that every town in which the workers of the industry lived was inhabited solely by those workers, and there was no machinery of the town or money of the town to supply the teachers, that would be true. The alternative, Mr. Chairman, would be—it seems to me that the alternative would be to have no schools; and as between the two, without knowing definitely the conditions, I should think it was better to have a school even under the management of the company.

Chairman WALSH. I do not exactly understand what you mean, that there is no money in the town. There is no money, of course, except as raised by taxation for public purposes, but why should not there be any money in one of your towns or camps any more than in any other villages?

Mr. ROCKEFELLER, Jr. What I meant by that was that a small community in an isolated part of the community, where just workers gathered—50 or 100 or 200 of them—might not have so developed as a social community that it could supply the things which it would much profit by and which it would be desirable for it to have.

Chairman WALSH. Why should not there be money in a town where there are workers? Isn't that the way money should come?

Mr. ROCKEFELLER, Jr. I am not saying why there should not be. I am saying if there was not.

Chairman WALSH. Is that true in any of your towns in Colorado?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. You are aware, are you not, that the towns we speak of—all of your camps—had much more than 50 or a hundred people in them?



Mr. ROCKEFELLER, Jr. I am not aware of the population of those camps. May I just say on this point, Mr. Chairman, that it is not the province of an industrial corporation to run schools and churches. It is not a line of activity that a corporation would naturally choose; but I ask, Is it not better, if they can not be provided in some other way, for them to be so provided? And, of course, the officers simply use their judgment in a matter of that kind.

Chairman WALSH. Now, you say you read all the bulletins written by Mr. Lee after they were published?

Mr. ROCKEFELLER, Jr. I saw them all, and I very probably did read them; but I would not make that definite statement, because I don't recall.

Chairman WALSH. And they were assuming or undertaking to publish what you called the facts concerning the struggle in Colorado?

Mr. ROCKEFELLER, Jr. I was not undertaking to publish them, Mr. Chairman. The coal operators in Colorado were so undertaking, and I was glad to be of any service in helping them to find a person to assist in that matter.

Chairman WALSH. But you were furnishing the writer to publish them and undertaking to pay him if the operators did not pay him?

Mr. ROCKEFELLER, Jr. I was glad to render any assistance in my power to make public what seemed to me an important thing in the public interest.

Chairman WALSH. Did you notice that Mr. Lee, in his bulletin, referred in many places to what he called the obnoxious and tyrannical check-off system—that is, the system of deducting the union dues and fines before the men received their pay, and that that was fundamentally wrong?

Mr. ROCKEFELLER, Jr. If you will allow me, Mr. Chairman, that the situation with reference to Mr. Lee may not be misunderstood, may I say that Mr. Lee was not responsible for the bulletins? He acted in preparing, in getting together the data, which was published in every instance over the signatures of the operators' committee, individually or collectively, the full responsibility for which was taken by the operators' committee, individually and collectively. I simply wanted to make that statement so that Mr. Lee's relationship may not be misunderstood. May I ask you to repeat the question you put in connection with the matter?

Chairman WALSH. Did you read what was written in the bulletin containing the alleged facts concerning Colorado, where it was stated in a number of instances that the check-off system was obnoxious and tyrannical, the check-off system being the custom of deducting the union dues from the salaries of the workmen and paying them over to the union?

Mr. ROCKEFELLER, Jr. I don't recall seeing that in the bulletins, but I very probably did.

Chairman WALSH. You are acquainted with the system?

Mr. ROCKEFELLER, Jr. I have heard the system described.

Chairman WALSH. And the characterization of the system, as described in the bulletin by the committee of operators, meets with your approval, does it—that it is tyrannical and obnoxious?

Mr. ROCKEFELLER, Jr. That was a statement made by the coal operators, who knew the facts in the case.

Chairman WALSH. What do you think about it?

Mr. ROCKEFELLER, Jr. I am not in a position to say. I am not in possession of the facts in the case; I do not feel that I could express any opinion that would be of any value on that subject.

Chairman WALSH. Do you not feel any personal responsibility for the alleged facts and characterization of men, motives, and things in this bulletin, due to the fact that the money for actually writing the same was paid by your father?

Mr. ROCKEFELLER, Jr. I assume no such responsibility, Mr. Chairman, but so far as the point is concerned, without knowing anything about the facts, I should think that any company would somewhat hesitate to deduct from the wages of its men in the interest of some other institution. Just a passing observation. I do not know anything about the facts.

Chairman WALSH. Why? Why would they hesitate if a man agreed that it should be deducted from his wages?

Mr. ROCKEFELLER, Jr. Well, I do not know why they should take it upon themselves to make payments on his behalf, but then it is a matter I ought not perhaps to have introduced myself, because I do not feel competent to discuss it.

Chairman WALSH. Were you aware of the fact, or are you aware of the fact that the Colorado Supply Co. has such deductions made from the wages of the men covering bills at their stores?

Mr. ROCKEFELLER, Jr. I am not familiar with the details of the management.

Chairman WALSH. Were you familiar with the fact that by that system deductions of money to pay for the conduct of the hospitals for your company is raised?

Mr. ROCKEFELLER, Jr. I am not-familiar with that.

Chairman WALSH. Are you familiar with the fact that in some of those camps the water is sold to the inhabitants, to the workers, and that where water is sold to them the money is collected by the check-off system, by deducting it from the wages?

Mr. ROCKEFELLER, Jr. I have no knowledge of that, Mr. Chairman.

Chairman WALSH. Have you ever seen what is called a check that is given to the workingmen in the Colorado Fuel & Iron Co., showing his earnings and what amounts may be taken from them?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. By the company?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Mr. Manly has just handed me a check of this Mr. W. J. Dalton, who sent them in with his letter, and suggested it be offered in the record and turned over to you. I see that first a blank is left for the work, the number of tons and the amount earned; then there is a space left and a memoranda for the following deductions: Brass check, hospital, company, rent, labor advances, coal, store, insurance, time check, with a place for the total deductions. Do you believe that a corporation is justified in maintaining what is mentioned in the law and known in industry as a blacklist?

Mr. ROCKEFELLER, Jr. Would you define that Mr. Chairman, so that I may understand it?

Chairman WALSH. I will define it to be a list of men that for certain reasons are considered undesirable, and that list kept open to the inspection, or at least open to the access, of other companies that might also be employing labor.

Mr. ROCKEFELLER, Jr. That is a matter that I never have had any knowledge of. I should think that every company would need to take proper means to see that men who had not proved efficient, or for some reason were undesirable in that company, were not reemployed in its other departments.

Chairman WALSH. Do you believe that the list should be sent to other companies that might wish to employ labor?

Mr. ROCKEFELLER, Jr. Personally, I should say no.

Chairman WALSH. Is such a list maintained by any of the industries—companies, being those in which you are a director?

Mr. ROCKEFELLER, Jr. Not that I know of, Mr. Chairman.

Chairman WALSH. Do you believe that a man otherwise—a man who is perfectly law-abiding and a good citizen should be discharged from an employment on account of the views he held on the labor question?

Mr. ROCKEFELLER, Jr. I think every man is entitled to hold such views as he sees fit as long as he does not interfere with similar rights on the part of his collaborators and associates.

Chairman WALSH. Has the Colorado Fuel & Iron Co. a form card for new employees that has a place for their name, description, and views on the labor question?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. I am going to ask you a few specific, general questions not applied to your views; probably ask you to analyze them a little deeper, as given upon yesterday. Do you believe in the principle of democracy in political government? That is, the principle that citizens should be allowed to have a compelling voice in determining the governmental conditions that affect their lives?

Mr. ROCKEFELLER, Jr. Most certainly I do.

Chairman WALSH. Do you believe this same principle should be applied to the organization of industry?

Mr. ROCKEFELLER, Jr. To questions of industry? I don't quite get the point.

Chairman WALSH. You believe in the principle of democracy in political government—namely, that citizens should have a compelling voice in determining the conditions that affect their lives—you say that you do?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Now, I say, do you believe in that same principle in its application to the organization of industry?

Mr. ROCKEFELLER, Jr. I do most heartily so far as it does not come in conflict with other interests—the same as any political situation must be regarded.

Chairman WALSH. Do you believe that the employing interests can be trusted to safeguard voluntarily at all times the interests and rights of workmen in their industries?

Mr. ROCKEFELLER, Jr. I think it is highly desirable that the laborers—the workers should be participants in the consideration of all questions pertaining to their living and working conditions, wages, and so forth, and my view along that line is indicated in my having suggested to the Colorado Fuel & Iron Co. officers some months since that steps be taken to develop such machinery. I heartily approve of it.

Chairman WALSH. My question was, do you believe that the employing interests can be trusted to safeguard voluntarily at all times the interests and rights of the men?

Mr. ROCKEFELLER, Jr. I think, Mr. Chairman, that the employees should have a voice.

Chairman WALSH. I will ask you the question again. I do not wish to be persistent, but I will ask the question once more. Do you believe the employing interests can be trusted to safeguard voluntarily at all times the interests and rights of the workmen?

Mr. ROCKEFELLER, Jr. I think anything which helps them in doing that is always desirable.

Chairman WALSH. Is that all you care to say in answer to that question?

Mr. ROCKEFELLER, Jr. I am trying to make my thought just as clear as I can.

Chairman WALSH. Perhaps I will depart from the rule which I have laid down, and ask it once more. I will ask you whether you can answer it yes or no—

Mr. ROCKEFELLER, Jr. (Interrupting). Mr. Chairman, I have not given extensive thought to a great many of these general basic questions you are discussing, and while I have expressed my general views, it would seem hardly fit for me to try to make pronouncements on certain principles that I have not considered with full care and thought. It is not that I am desirous at all of evading or avoiding any of your questions. I am trying to give my views and at the same time not express opinions on matters which I have not carefully and fully gone into. My opinion, thus expressed, would be of no value to you, I fancy.

Chairman WALSH. Very well, then I will ask you the question and ask you please to answer it yes or no, or say that you do not care to do so. Do you believe that the employing interests can be trusted to safeguard voluntarily at all time the interests and rights of the working men?

Mr. ROCKEFELLER, Jr. I should be glad to answer it directly, but I can not and express my views.

Chairman WALSH. I will proceed then to another question. Without an organization of workmen, equipped to make its demands effective, when these demands are just, what recourse has the individual workmen against injustice?

Mr. ROCKEFELLER, Jr. Your question is a broad question that I have—that I am not sufficiently familiar with to make a pronouncement on. It would be very simple for me to say yes or no to any of these questions, but I have assumed that you wish me to express views only where I have them and do not want me to answer carelessly or make expressions which are not backed up with careful thought.

Chairman WALSH. Certainly not. So far as I am concerned, I shall be content with your statement that you do not care to answer those or that you have no views or answer in any way you wish to make answer. I would not indicate by a question any end that might be desired in an answer, but necessarily some of these questions are asked in a very leading form.

Mr. ROCKEFELLER, Jr. I am anxious to give my views on any questions asked, where I have them, but where I have not formulated such views I do not suppose the commission would care to have me make an expression.

Chairman WALSH. No; and if you should ask me for a suggestion, I would suggest that you answer the questions yes or no, or state that you have no views on the subject or do not care to give them.

Mr. ROCKEFELLER, Jr. I have not formulated views on the subject; and I shall be glad to act on your suggestions.

Chairman WALSH. Is the individual workman with a family able usually to choose the place and character of his employment?

Mr. ROCKEFELLER, Jr. Not always. If he has got a family, it is much more difficult for him to choose. It would also depend on his wages whether he could move from one place to another.

Chairman WALSH. It was stated in Colorado by a gentleman at the head of a large industry, and I will say that it is not yours, that the way the subject should be dealt with was the way that the sale of ordinary matters of commerce is conducted; that is, if a man went into a store to buy goods—a retail store—and was not satisfied with the prices and conditions of the sale, that he might retire. Likewise, that a workman could go into a place and ask for work and if he was not satisfied with the terms and conditions, that he could likewise retire. Am I to take it that you see a difference in those two situations, and that especially in the development of modern industry in a large and concentrated form, such as you have to-day, that the workman does approximately choose the conditions of his employment?

Mr. ROCKEFELLER, Jr. I think very frequently he would be unable to do so.

Chairman WALSH. And could not a political monarchy or despotism be justified logically on that ground that those persons who objected to that form of government could move elsewhere? [No answer.] In the development of modern industry and in our present economic condition is that not impossible for the employee in seeking employment?

Mr. ROCKEFELLER, Jr. Frequently he can and frequently he can not.

Now, will you please put the other question again?

Chairman WALSH. Will the reporter please read that question?

The REPORTER (reading):

"And could not a political monarchy or despotism be justified logically on that ground that those persons who objected to that form of government could move elsewhere?"

Mr. ROCKEFELLER, Jr. I have not studied the question of government sufficiently to allow me to answer that question intelligently.

Chairman WALSH. I believe you stated that you were in favor of collective bargaining?

Mr. ROCKEFELLER, Jr. I did.

Chairman WALSH. Unless collective bargaining in some form is had the employee is at the absolute mercy of his employer, is he not?

Mr. ROCKEFELLER, Jr. I should not be able to pass an opinion there. I should think his influence was much stronger when he was able to bargain with his fellows.

Chairman WALSH. You would not be able to pass an opinion on that, for what reason?

Mr. ROCKEFELLER, Jr. I do not know all of the circumstances that might develop. For instance, there might be a company where, as frequently happens, the question of wages is taken care of in an entirely satisfactory and appropriate way without the intervention of the workers.

Chairman WALSH. That would be a case of the employer being just and kind?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. But if the employer was not just and kind, what I say is the employee is at the mercy—I don't suggest that he extends it in a beneficial way, but he would be at the mercy of the employer?

Mr. ROCKEFELLER, Jr. I think he would.

Chairman WALSH. You read that also, did you not, in the examination of Mr. Welborn, who has the first-hand touch with your industry in Colorado—your president—did you read that part of his testimony where he stated that the employees were at the mercy of the employers where there was not collective bargaining?

Mr. ROCKEFELLER, Jr. I do not recall it.

Chairman WALSH. Do you recall the passage in his letter to you of August 20, 1914, where he stated:

"So far as we know there was in our employ at the time of the strike but one superintendent who was unnecessarily arbitrary or severe with his men. He had shown a disposition, as well as an ability, to improve and because of his general fitness in other directions was retained in our service until very recently."

Would you not consider that a concrete illustration of the potential power for injustice in the hands of a company, such as the Colorado Fuel & Iron Co., where there was no organization?

Mr. ROCKEFELLER, Jr. It would illustrate the possibility.

Chairman WALSH. It would be a concrete case, would it not, where your superintendent writes there was a man unnecessarily arbitrary and severe but had other qualities which made it wise to retain him in your employ?

Mr. ROCKEFELLER, Jr. And I think if this present system that is now in vogue in the Colorado Fuel & Iron Co. was then in vogue that man would have been discovered sooner. I think it is desirable that such a man should not exist.

Chairman WALSH. Do you believe that a committee of employers, such as suggested by Mr. W. L. Mackenzie King, Mr. Starr J. Murphy, and Mr. Welborn, would be sufficient to safeguard the welfare of the men without some organization of the men behind it?

Mr. ROCKEFELLER, Jr. Of that I can not speak. The plan which had been entered into by the men and the employees of the Colorado Fuel & Iron Co. is in effect an organization, I assume. How satisfactorily it will work, what additional features may be added as time goes on, I do not know; but I feel that the management, and I know that the directors, are anxious to proceed in developing the plan as rapidly as the conditions at the different places may so suggest.

Chairman WALSH. Do you believe that organized labor can act effectively unless it has funds and is in a position to call a strike as a last resort, with the support of a national organization?

Mr. ROCKEFELLER, Jr. I should think it ought to be, that it ought to be effective.

Chairman WALSH. Without having a national organization behind it?

Mr. ROCKEFELLER, Jr. I do not see why it could not. It seems to me that such an organization ought to entirely do away with the ill will which arises so often simply because there is no opportunity to come in contact—to have contact between the employee and the officers of the company.

Chairman WALSH. I will read Mr. Welborn's views upon collective bargaining and ascertain if you will be kind enough to state whether or not they contain what might be called your definition of the term "collective bargaining." Mr. Welborn testified before this commission as follows: "I think if two or three men go to a superintendent or manager with suggestions or grievances, whatever you may call them, that are not wholly individual, that in a way represents collective bargaining." Would you consider that an exercise of the principle of collective bargaining?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I have not undertaken to define the principle of collective bargaining. I mentioned it in my paper as one of the things which labor organizations undertake to promote in the interests of labor. Just what its definition is, what varieties of it there are, I do not know.

Chairman WALSH. I see in your statement that you favor collective bargaining?

Mr. ROCKEFELLER, Jr. I did not put it that way. I said I favored the organization of men. I did not venture to suggest what organization, because I feel myself unable, from lack of knowledge of those matters, to suggest, but whatever organization would properly safeguard their interests, as I went on to describe. I did not make any statement as to my own view, because I had none on collective bargaining as one of the things which the organization of labor often takes on.

Chairman WALSH. What did you mean by the expression "collective bargaining" as contained in the statement which you made to the commission on yesterday?

Mr. ROCKEFELLER, Jr. I meant simply in a general way, a bargaining of employees together. I had not thought it out to have in mind any general plan. I am simply familiar with the general form of collective bargaining, which means, in my mind, the employees in groups or masses bargaining together.

Chairman WALSH. I notice that Mr. Welborn wrote to Mr. Starr J. Murphy, under date of October 9, as follows—October 9, 1914, as follows:

"There are some mines at which undoubtedly our managers could select three miners who would be glad and could be safely depended upon to assume the responsibility suggested by you and would in every sense of the word be safe. In considering this forward work, which I feel we must certainly keep in mind, I am impressed with the importance of so composing whatever committees are found advisable as to make it appear that they all represent the same interest. In other words, that there is but one interest which is in every sense of the word common yet having it understood that the committee is as free to consider any complaints or grievances of the men as though it were one entirely of their own selection."

Would you call that the principle of collective bargaining?

Mr. ROCKEFELLER, Jr. I am not undertaking to describe that principle, because I do not feel competent to. But the fact is that Mr. Welborn's own view has developed since the writing of that letter and a more extensive plan has appealed to him as a wiser thing than the plan he outlined, which other and more extensive plan he has adopted. When I say "other" I mean the plan in which the representatives of the men were not appointed by the company as there outlined, but the men in each mine were invited to meet in mass meeting as stated in the circular which I quoted here yesterday, no superintendents or pit bosses being present, and then elect by ballot their representatives.

Chairman WALSH. What would you say is the substance of the principle of collective bargaining?

Mr. ROCKEFELLER, Jr. I should not be able to describe it, Mr. Chairman. I have not dealt with the question sufficiently.

Chairman WALSH. Is there a claimed right existing in society to do upon the part of the workers that which they designate the rights of collective bargaining, to your knowledge?

Mr. ROCKEFELLER, Jr. I hear that term used, but I am not able to define it.

Chairman WALSH. What sort of collective bargaining did you have in mind, Mr. Rockefeller, when you wrote this statement which was submitted to the commission yesterday?

Mr. ROCKEFELLER, Jr. Simply the general thought, which I have already undertaken to express, that it means bargaining by men in larger or smaller groups. I had not attempted to formulate an idea. I was not trying to discuss collective bargaining, but simply mentioned it in that paper as one of the methods which the organizations of labor adopted.

Chairman WALSH. I will read you an extract first. Do you think—I will ask you this: Do you think it would be proper for any person acting on behalf of the Rockefeller Foundation to undertake, by influence or suggestion, to determine labor supply in a particular industry such as in Colorado, to determine the policies of your company as to labor supply in an industry such as the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. There has never been any disposition on the part of the directors of the Colorado Fuel & Iron Co., so far as they are any of them related as individuals, to the foundation, to formulate labor policies.

Chairman WALSH. Would it be proper for any man to be paid out of the funds of the foundation to do work for the foundation and undertake to lay down the rules which govern the labor supply in a particular private industry in which a large amount of stocks and bonds were owned by those whom you represent?

Mr. ROCKEFELLER, Jr. There would be no disposition. There is no connection between the Rockefeller Foundation and the labor policies of the Colorado Fuel & Iron Co., or either I do not get the point.

Chairman WALSH. I will read you an extract from a letter of McKenzie King, of whom you have spoken, dated August 11, as follows:

"In certain industries it is going to be easier on account of the war in Europe"—

As he had explained earlier in the letter—

"to find all the laborers they desire and unions will be confronted with a new problem. Recognition simply for the sake of recognition is going to be seen to be less pressing as an immediate end than that of maintaining standards already existing."

Do you recall that statement?

Mr. ROCKEFELLER, Jr. I would appreciate it, Mr. Chairman, if you would read the whole letter so as to make the matter so much fresher in my mind.

Chairman WALSH. Very good. I will read the whole letter and then go back and take up certain portions.

Mr. ROCKEFELLER, Jr. Thank you.

Chairman WALSH. It is dated the 11th of August. I will ask you a preliminary question, too. Mr. McKenzie King is employed by the foundation; is he?

Mr. ROCKEFELLER, Jr. Mr. McKenzie King is employed by the foundation.

Chairman WALSH. And his compensation is paid out of the income from the hundred millions of dollars given by your father to the foundation?

Mr. ROCKEFELLER, Jr. The Rockefeller Foundation.

Chairman WALSH. And he is not an adviser of your company in the investments; he is not on the general staff?

Mr. ROCKEFELLER, Jr. He is not.

Chairman WALSH. Or on the general staff of your father, and he has no connection with any corporation in which you are interested, to your knowledge?

Mr. ROCKEFELLER, Jr. He has not.

Chairman WALSH. Now the question at issue, you have stated, in Colorado, was recognition of the union; was it not?

Mr. ROCKEFELLER, Jr. That is what I understand.

Chairman WALSH. And the substance of the strike, so far as its outcome was concerned, as between you and your employees, was the question alone of labor supply, wasn't it; getting the men to operate your mines peacefully?

Mr. ROCKEFELLER, Jr. The question of the recognition of the union, Mr. Chairman.

Chairman WALSH. I know that was the question, you say, of contention between you. But the result, the only result interesting to you after that was stated was the continued peaceful operation of your mines?

Mr. ROCKEFELLER, Jr. That is what we want, the continued peaceful operation.

Chairman WALSH. That is what you want, and that outcome, of course, depended upon the labor supply—is that correct?

Mr. ROCKEFELLER, Jr. It has never been difficult to get all the labor that has been needed, Mr. Chairman, in spite of conditions. The unfortunate situation now is that the companies are not able, as I am advised, to employ all of the men who formerly worked for them, or whom otherwise they would be glad to take back, because the business conditions are such as not to justify the running of the mines at full capacity.

Chairman WALSH. And the only thing after the contention arose was the labor supply to operate the mines peacefully, was it not?

Mr. ROCKEFELLER, Jr. Will you ask that once more, please? I did not get the point of the question.

Chairman WALSH. You had a falling out, as I understand, and a strike was called by the United Mine Workers of America in your Colorado mines. You have stated that the point of difference between the employees that went upon the strike, represented by the officers of the United Mine Workers, was the right of recognition of that union?

Mr. ROCKEFELLER, Jr. That is what I understand.

Chairman WALSH. That is what you understand the condition was? After the contention arose it was your desire to be permitted peacefully, as I understand you to say, to operate your mines to the capacity which the situation of the trade demanded?

Mr. ROCKEFELLER, Jr. That is always our desire.

Chairman WALSH. Well, it was in that instance?

Mr. ROCKEFELLER, Jr. Certainly; it was not changed.

Chairman WALSH. So that the only thing you needed to operate your mines were the employees necessary?

Mr. ROCKEFELLER, Jr. We needed peaceful conditions under which they could work.

Chairman WALSH. I said that to operate your mines in peace.

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Naturally the men would have to operate your mines in peace?

Mr. ROCKEFELLER, Jr. Peace and employees are the two necessary factors.

Chairman WALSH. So that the final consideration was simply one of labor supply?

Mr. ROCKEFELLER, Jr. Mr. Chairman, of course, you have to have the demand for the output as well as the labor supply.

Chairman WALSH. Certainly.

Mr. ROCKEFELLER, Jr. As well as conditions which permit that.

Chairman WALSH. I stated specifically in my question that labor supply necessary to produce what was demanded by the trade?

Mr. ROCKEFELLER, Jr. Yes; it was necessary to have peaceful conditions and labor.

Chairman WALSH. And labor supply. So that was in its last analysis merely a question of labor supply, so far as operating the mines is concerned, after the contention arose?

Mr. ROCKEFELLER, Jr. After peaceful conditions were maintained, certainly.

Chairman WALSH. Well, of course, we are assuming peaceful conditions in all of our questions.

Mr. ROCKEFELLER, Jr. But through the strike—we can not assume—

Chairman WALSH. All right, if we can not agree on the phrasing of that. I am trying to make myself clear, and I do not seem to be able, so I will leave the subject.

Mr. ROCKEFELLER, Jr. I am trying to give you the facts just as clearly as I can.

Chairman WALSH. Yes; I think you are. You have so refined it under the question of words it is impossible for me to make it clear, so I will drop the question.

Mr. ROCKEFELLER, Jr. Only because during the time of the strike peaceful conditions did not exist, and it is difficult to divorce the two.

Chairman WALSH. Well, if it is satisfactory to you, I will drop the matter.

Mr. ROCKEFELLER, Jr. Yes; certainly.

Chairman WALSH. And, perhaps, come back to it again when I get the letter of Mr. King. What responsibility do you feel as a director for the Colorado Fuel & Iron Co. on the question of violence of statute law, if any, by the executive officers in Colorado?

Mr. ROCKEFELLER, Jr. I feel a responsibility in any corporation in which I am a director or a stockholder to use my full influence to prevent such violations by any officers.

Chairman WALSH. And if a law of the State was violated—and I will leave the Colorado Fuel & Iron Co. out of the question for the moment—do you believe that it is the duty of a director upon ascertaining that to separate the violator of the law from the service of the company in which he is a director?

Mr. ROCKEFELLER, Jr. On general principles, of course I do.

Chairman WALSH. On general principles. Well, as a matter of direct application, do you believe that if the attention of a director is called to the violation, a specific violation of the statute law by an executive officer, that he should at once take steps to get that man away from any connection with his company?

Mr. ROCKEFELLER, Jr. I should think so, Mr. Chairman.

Chairman WALSH. Have you observed charges that were made by certain employees of the Colorado Fuel & Iron Co. with reference to the violation of the statute law of Colorado by the executive officers?

Mr. ROCKEFELLER, Jr. Have I so observed?

Chairman WALSH. Yes, sir.

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Has any such thing been called to your attention?

Mr. ROCKEFELLER, Jr. It has not.

Chairman WALSH. Did you read the grievances of the employees of the Colorado Fuel & Iron Co. submitted to the governor of Colorado?

Mr. ROCKEFELLER, Jr. I don't know whether I did or not, Mr. Chairman. I have read many of the statements that were made.

Chairman WALSH. Has your attention ever been called to the claim on the part of your employees that certain State laws of Colorado were persistently violated by the executive officers of that company?

Mr. ROCKEFELLER, Jr. It has not.

Chairman WALSH. Has your attention ever been called to the alleged fact that certain laws of the State of Colorado were violated by your executive officers?

Mr. ROCKEFELLER, Jr. It has not.

Chairman WALSH. If your attention was called to any such occurrence or situation in the past in accordance with what you stated a few moments ago, would you proceed as a director to have that officer discharged?

Mr. ROCKEFELLER, Jr. That certainly would be my feeling, Mr. Chairman; but it might have occurred that a law had been violated without the officer knowing it. Therefore, I would not be justified in determining in advance what my action would be. I should want to know all the facts.

Chairman WALSH. If a law had been persistently violated by the officer himself, would you cast your vote to discharge him as a director?

Mr. ROCKEFELLER, Jr. I certainly would not want any officer to be connected with any company I was related to that was persistently violating the law, with his knowledge.

Chairman WALSH. Then, would you cast your vote as a director to discharge him if it was brought to your knowledge that he had violated the State law of the State?

Mr. ROCKEFELLER, Jr. If all the facts justified that belief, I should.

Chairman WALSH. You testified yesterday that as a director you were not responsible for the labor policies of the Colorado Fuel & Iron Co., and also



that you had not given enough thought and study to the issues involved to have an opinion. Last April you testified before the congressional committee at Washington as follows:

"Our interest in labor is so profound and we believe so sincerely that that interest demands that the camps shall be open camps that we expect to stand by the officers at any cost. It is not an accident that this is our position; it is a great principle."

You also testified:

"It is because of such a profound interest in those men and the workers that I expect to stand by the policy which has been outlined by the officers, which seems to me to be first, last, and always in the greatest interest of the employees of the company."

Why did you feel competent to take such a decided stand if, as you said yesterday, you had not given sufficient thought and study to labor problems to justify you in expressing an opinion to this commission as to the general issues between employer and employee?

Mr. ROCKEFELLER, Jr. That testimony, Mr. Chairman, which you have just read, taken before the congressional committee, has been purposely unfairly construed as being a declaration on my part of warfare against the unions. Any such expression is, I think, entirely unjustified from the text and most contrary to my own feeling and belief. The opinion expressed there relates, to no extent at all, to the question of unionism as unionism. The point there was that the officials of the company had stated that if the principle of unionism was to be admitted in connection with the mines of the Colorado Fuel & Iron Co., it would involve the discharge of all of the employees in the company who were not union men. On that principle of the right of every man to determine for himself whether he should join the union or not, I said what you have read. For I felt it was a principle of justice and of right that every man should be accorded freedom under the Constitution to determine whether or not he would work independently or with others. And I think that that principle is one which would meet with your own full accord and approval. But it is in no sense a declaration that my attitude was antagonistic to labor unions, because, as I have stated in my statement yesterday, and many times since, I firmly believe in the organization of labor.

Chairman WALSH. That is all the answer you care to make to my question?

Mr. ROCKEFELLER, Jr. Yes. I therefore see nothing inconsistent in the two statements. I have made this statement to show you the utter sincerity with which both were announced and the fact that both are in entire accord with my view as expressed before this body yesterday.

Chairman WALSH. Did you not depart from your rule of leaving the labor policies of the company to the local officers when Mr. Lee went to Colorado after his appointment on your father's staff?

Mr. ROCKEFELLER, Jr. Mr. Lee has not been to Colorado since his appointment on my father's staff.

Chairman WALSH. Hasn't he been to Colorado to aid in working for the Colorado Fuel & Iron Co. since his appointment?

Mr. ROCKEFELLER, Jr. He was only appointed on the 1st of January of this year.

Chairman WALSH. You make a distinction between his appointment on your father's general staff and this publicity work that he did for you. Whom did he do that for?

Mr. ROCKEFELLER, Jr. As I stated yesterday, he did it for the officers, for the mine owners' committee and for my father.

Chairman WALSH. Who asked him to go to Colorado?

Mr. ROCKEFELLER, Jr. No one asked him to go to Colorado.

Chairman WALSH. I believe that you have testified that your father paid him for what he did in Colorado?

Mr. ROCKEFELLER, Jr. Paid him for what he did in the interest of bringing about proper publicity on these general matters, both with reference to ourselves and our interests in the Colorado Fuel & Iron Co. and the general coal industry. It was a matter I felt was a public duty.

Chairman WALSH. I am asking you if it is not a fact, Mr. Rockefeller, in consideration—have you read the correspondence that was produced before our commission in Colorado covering your views and the views of your local officers with respect to labor conditions and the institution of some system of presenting the grievances of employees?

Mr. ROCKEFELLER, Jr. Yes; I am familiar with the correspondence.

Chairman WALSH. Have you read it lately?

Mr. ROCKEFELLER, Jr. I read it shortly after it was brought out, Mr. Chairman.

Chairman WALSH. You read the letter of President Welborn, so I will not read it again. You recall it, as to how he thought it might be done with three safe men who might be selected by the management to meet with the committee representing the employees; you have in mind that letter?

Mr. ROCKEFELLER, Jr. I have.

Chairman WALSH. Now, that was Mr. Welborn's plan for dealing with the laborer on October 9, 1914, was it not?

Mr. ROCKEFELLER, Jr. That was the suggestion that he made at that time; that he had finally formulated any plan I have no evidence. You will note that that correspondence indicated the opinion that existed at the time on the part of the New York directors and the officers in Colorado. It was an opinion that was developing and forming.

Chairman WALSH. What brought Mr. Welborn, if you know, to change his opinion?

Mr. ROCKEFELLER, Jr. What brought him to change his opinion?

Chairman WALSH. Yes, sir.

Mr. ROCKEFELLER, Jr. I do not know. I hope that the more suggestions were made to him, the more he began to see the views of others were worthy of consideration.

Chairman WALSH. Suggestions made by whom?

Mr. ROCKEFELLER, Jr. I think I am the one that took the responsibility, feeling it my duty and even my province to make any suggestions to him as an officer of the company.

Chairman WALSH. Do you believe, then, that a suggestion coming from you as the representative of your father to Mr. Welborn would be acted upon beyond the peradventure of a doubt?

Mr. ROCKEFELLER, Jr. I think his letter in reply indicates that is not true and would not be true unless his own judgment confirmed the suggestion, because his reply to my letter of August, setting forth the outline of the plan which Mr. King had prepared at my request, was to the effect that while generally he was in accord with such a plan, in his judgment it would not be wise to undertake to introduce any such machinery until the termination of the strike. After that time he would be anxious to take the matter up, and his judgment prevailed.

Chairman WALSH. And your committee is selected now by the manager taking "three safe men"?

Mr. ROCKEFELLER, Jr. No, Mr. Chairman; as pointed out in my statement of yesterday morning, the company has no committee. The men have been asked at each camp to select in the mass meeting, at a meeting at which neither pit bosses nor managers shall be present, a man whom they choose by ballot to represent them, and in that manner 25 representatives—about 25 representatives—of the miners have been selected at the various camps, wholly and entirely by the men. Such men as the plan outlines, as I read yesterday, are to represent that group of miners in any conference which they may wish to suggest—in the taking up of any matters any of them may care to take up with the company's officers, or which the officers of the company may, in turn, care to take up with them. These men thus elected by ballot continue to represent the groups which elected them until such time as at the pleasure of each group the group shall determine to elect from their number some other man to represent them. The miners are the ones who alone and solely elect their representatives.

Chairman WALSH. That was the plan suggested by Mr. McKenzie King and sent by you to Mr. Welborn?

Mr. ROCKEFELLER, Jr. That is the plan adopted and which is now in force.

Chairman WALSH. Was it suggested to you, Mr. Rockefeller, I asked you, directly, by Mr. McKenzie King and by you sent to Mr. Welborn?

Mr. ROCKEFELLER, Jr. That plan was never, in its present form, suggested by anyone. It was the outgrowth of suggestions made by Mr. McKenzie King, which I thought would be highly valuable to the company, and of other suggestions made by others of the directors. It was a composite plan and development, as all these things were considered together.

Chairman WALSH. You recognize the radical difference between that plan and the suggestion of Mr. Welborn in his letter of October 9, that the committee

should consist of three safe men, appointed by the managers; you see the difference?

Mr. ROCKEFELLER, Jr. I do.

Chairman WALSH. And this was the plan, generally speaking, you submitted to Mr. Welborn in your letter after conference with Mr. King?

Mr. ROCKEFELLER, Jr. Only generally speaking, because this plan does not cover all of the features. Some of its features that plan did not have. Only generally speaking.

Chairman WALSH. But if that is not the plan suggested in the letter to which you refer, you say you do see the radical difference between three safe men appointed by the managers and the election of their representatives in a more democratic way; that is, under the present plan?

Mr. ROCKEFELLER, Jr. That is quite obvious.

Chairman WALSH. And Mr. Welborn changed his mind in some way, and that very radically, as to how these questions should be met?

Mr. ROCKEFELLER, Jr. I do not think Mr. Welborn had ever finally made up his mind. I think Mr. Welborn's opinion was crystallizing the same as the opinions of the eastern directors were crystallizing. We were all working together in making suggestions which we hoped would result in something that would be to the advantage of the laboring conditions. I hope that has been the result, Mr. Chairman; time will tell.

Chairman WALSH. I will ask you the question directly; do you believe that if you stated to Mr. Welborn that in your opinion the interests of the Colorado Fuel & Iron Co. and the interests of its employees demanded that they should have democratic representation in presenting their grievances collectively that Mr. Welborn would be influenced by your suggestion?

Mr. ROCKEFELLER, Jr. He certainly would be influenced by the suggestion, but if it did not accord with his own opinions and views on the subject, he would certainly differ with me, and if he did not as a director I should not want to have him in that position, so far as I am concerned.

Chairman WALSH. Do you believe then that as matters come up that would indicate that practices existed which were inimical to the welfare of your employees, that you should in that way make suggestions that might influence him, if you could show him that fair dealing and a just regard for the rights of the employees demanded it?

Mr. ROCKEFELLER, Jr. That is just what I want to do, make the suggestion. The other directors do likewise, and I am glad to get such suggestions and take them up with Mr. Welborn.

Chairman WALSH. Do you depend on governmental information, or information outside of your company, for these matters that occur, if they do occur, which interest the organization of which you are a director?

Mr. ROCKEFELLER, Jr. On the contrary, Mr. Chairman, I had assumed that the commission would be glad to cooperate in any way it could to make suggestions along these lines.

Chairman WALSH. Is it your answer that you do not depend on commissions or outside agencies, but that you feel it is your personal duty as a director to ascertain conditions at first hand yourself?

Mr. ROCKEFELLER, Jr. I do not say at first hand, because I think that would be often entirely impossible.

Chairman WALSH. Leave out the first hand?

Mr. ROCKEFELLER, Jr. I think it is the duty of every director to ascertain the conditions as far as he can, and if there are abuses, to right them.

Chairman WALSH. Without outside intervention?

Mr. ROCKEFELLER, Jr. With or without, but to right them.

Chairman WALSH. Is it your belief that the company's new machinery for meeting its employees will be a success?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I can not express an opinion on that, because I do not think it is possible to prophesy. I have every reason to believe that it will immensely improve the situation, I so hope.

Chairman WALSH. Is it instituted upon the theory at least that there is but one interest in the industry, which is in every sense common?

Mr. ROCKEFELLER, Jr. That was set forth in my statement of yesterday, that I believed every corporation should be regarded as including its stockholders, its directors, its officers, and its employees, and the interest of all four is one interest.

Chairman WALSH. Suppose that when a grievance—we will take the case of a grievance being submitted by the committee of three—

Mr. ROCKEFELLER, Jr. (interrupting). May I ask what committee of three you refer to?

Chairman WALSH. The committee of three employees that would meet and confer?

Mr. ROCKEFELLER, Jr. There is no such committee that I know of.

Chairman WALSH. What is the number of the committee?

Mr. ROCKEFELLER, Jr. Twenty-five.

Chairman WALSH. Would the whole 25 meet with your directors without selecting a smaller committee?

Mr. ROCKEFELLER, Jr. That would be a matter for the 25 and the officers to determine. I don't know whether they have worked out that point.

Chairman WALSH. Has the suggestion been made that a committee of three be appointed by the general committee in each mine?

Mr. ROCKEFELLER, Jr. I know of no further suggestions than those outlined in my statement.

Chairman WALSH. When was the plan instituted?

Mr. ROCKEFELLER, Jr. I think I have the date here. [Witness examines papers.] On January 5 a notice was posted in the mines with reference to the election I have spoken of. I go on to state that I have received from the president of the company a telegram notifying me that this general conference was held at Denver on the 19th instant, so that the final step in the plan so far as it has been worked out was taken in that meeting of the delegates of the men with the officers of the company in Denver on the 19th of January.

Chairman WALSH. So there has been no opportunity to receive any report of any progress up to this date?

Mr. ROCKEFELLER, Jr. You see that was the 19th of January, only a week ago.

Chairman WALSH. I say, you have not had time to receive any report of progress of anything being done?

Mr. ROCKEFELLER, Jr. I have the report contained in the telegram which I read on yesterday. That was the last word. That was a telegram.

Chairman WALSH. If a disagreement should arise between the management and this committee of employees, do you believe that the employees alone would have the power to resist any decision made by the managers?

Mr. ROCKEFELLER, Jr. Mr. Chairman, the further development of the plan is yet to come. I do not know how that will work out, but you see the earnest purpose of the officers and directors to develop a machinery that will inure to the benefit of both sides, and I can only say that the plan will be developed as rapidly as the interests of the employees and the employers shall dictate to that body.

Chairman WALSH. And you will not object if this committee of 25 allies itself with committees in other industries in the State of Colorado?

Mr. ROCKEFELLER, Jr. That is a matter that has not come up, and I have no opinion about it.

Chairman WALSH. Would you object?

Mr. ROCKEFELLER, Jr. I would not be able to express an opinion; I would want to know the facts.

Chairman WALSH. Would you accord it to them as a right—to the employees to seek organization with men in the same industry but working in other companies?

Mr. ROCKEFELLER, Jr. Mr. Chairman, my attitude and my view as far as it is developed is expressed here, and I can not prophesy what my opinion might be in the further development of this plan. I could not reply to that question until it came up in a more specific way.

Chairman WALSH. Do you see a parallel, it has been suggested to me to ask, between such cooperation and the cooperation of business corporations one with another?

Mr. ROCKEFELLER, Jr. I do not know of any cooperation of a similar nature between business corporations, I do not think of any at the moment.

Chairman WALSH. In case of a conflict over a grievance, which could not be reconciled, do you believe that the employees of your company, under their present wage and condition, could finance themselves in such a way as to resist the attitude of the management?

Mr. ROCKEFELLER, Jr. That I could not say because I have not information.

Chairman WALSH. What information do you feel you would have to have before you could answer that general question, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. I know nothing about the facts, Mr. Chairman.

Chairman WALSH. The other question which has just been handed me by Mr. Manly is an epitome of certain matters, and he advises me that he has not yet finished the question and will not be able to finish it until after recess, and as it is now only two or three minutes of that time, we will stand adjourned until 2 o'clock this afternoon, at which time you will please resume the stand.

(At this point a recess was taken until 2 o'clock in the afternoon of Tuesday, January 25, 1915.)

AFTERNOON SESSION—2 P. M.

Chairman WALSH. The house will please be in perfect order. Mr. Rockefeller, will you kindly resume the stand.

TESTIMONY OF MR. JOHN D. ROCKEFELLER, JR.—Continued.

Chairman WALSH. Mr. Rockefeller, I see that the letter of Mr. Mackenzie King occupies 10 full pages. It is of extreme length, and unless you insist upon it, I would prefer to call your attention to certain extracts of it.

Mr. ROCKEFELLER, JR. Mr. Chairman, the letter was not quoted in full, but only extracts from it, which cover four pages. The letter has been put in my hands, and the extracts were all that went into the letter to Mr. Welborn. I would be glad if that could be read.

Chairman WALSH. I would like, if you please, to let me read my extracts, and ask you about them, and then you can read whatever you desire to read of the letter and save us reading anything except what you consider important.

Mr. ROCKEFELLER, JR. I should be glad, if you are willing, to have the whole letter read, simply because, taken as a whole, it gives—

Chairman WALSH. Very good, if you insist I shall be—

Mr. ROCKEFELLER, JR. I do not insist. I simply make the request; I would appreciate it.

Chairman WALSH. Have you the whole letter here?

Mr. ROCKEFELLER, JR. I have the extracts that were included; all of the extracts that were included in the letter to Mr. Welborn. That is the only part to which I am referring.

Chairman WALSH. Have you the letter of Mr. Mackenzie King?

Mr. ROCKEFELLER, JR. I have not; only such portions as were included in the letter to Mr. Welborn.

Chairman WALSH. Will you produce the whole letter from Mr. Mackenzie King?

Mr. ROCKEFELLER, JR. Gladly.

Chairman WALSH. I have not seen that—that part of the four pages you have; the only part I have is contained in about 10 lines that I want to ask you about.

Mr. ROCKEFELLER, JR. Yes.

Chairman WALSH. Now, why do you not take my suggestion that I ask you in regard to the extracts which I have and then you may read any portion of it you may desire.

Mr. ROCKEFELLER, JR. You would not prefer I should read the letter in advance?

Chairman WALSH. No; I prefer that I ask the question in advance.

Mr. ROCKEFELLER, JR. And then I may read the letter?

Chairman WALSH. You may read it in full or any part of the letter.

Mr. ROCKEFELLER, JR. Thank you.

Chairman WALSH. You are welcome.

Mr. ROCKEFELLER, JR. Mr. Chairman, before we proceed, may I say one word with reference to one of the questions asked this morning?

Chairman WALSH. One minute until we get that letter.

Mr. ROCKEFELLER, JR. Yes.

Chairman WALSH. Now you may make your statement.

Mr. ROCKEFELLER, JR. I simply wanted to refer to a certain question which you very courteously put to me three or four times this morning in an effort to have me understand it. In looking over that matter at lunch the question has been made plain to me in conference. It was something like this: You asked me if I believed that in all cases employers could be trusted to voluntarily secure justice to employees in respect to all matters. I did not get the question, simple as it seems to me now, but my answer is, of course not.

Chairman WALSH. Now, then, I will quote you from the letter of Mr. Mackenzie King, you having stated that Mr. Mackenzie King was connected with the foundation alone, as I understand it.

Mr. ROCKEFELLER, Jr. He was connected with the foundation alone from the 1st of October.

Chairman WALSH. And prior to that time did he have any connection with you?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. Did he have any connection with your father?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. I will ask you if Mr. Mackenzie King wrote you a letter August—

Mr. ROCKEFELLER, Jr. August 6—Is that the date, Mr. Chairman?

Chairman WALSH. Yes, sir; I will ask you if Mr. Mackenzie King did not write you a letter dated August 6, 1914, in which he used the following language:

"In certain industries it is going to be easy for employers to find all the labor they desire, and unions will be confronted with a new problem. Recognition, simply for the sake of recognition, is going to be seen to be less pressing as an immediate end than that of maintaining standards already existing, and unions may rightly come to regard as their friends and allies companies and corporations large enough and fair enough to desire to maintain the standards of their own accord. For the unions to take a different view will certainly mean to lose the substance of their conditions while wasting resources in fighting for the shadow of recognition. Here, it seems to me, lies a possible avenue of approach toward restoring normal conditions in Colorado."

Did you understand from that that the standard conditions meant the amount of food and clothing that those people were getting and that the war would place them in such economic condition on account of competition with their fellow workers that the matter would be settled?

Mr. ROCKEFELLER, Jr. That was not the part of the letter that my attention was concentrated on, and it was only incidental to Mr. King's answering questions that I had asked, and indicating that the war conditions, which necessarily affect materially the conditions of trade and industry, would make it much more difficult for employment to be found for all labor.

Chairman WALSH. And that, if you waited long enough, they would give up the fight for the recognition of the union in order to maintain the living conditions which they then had.

Mr. ROCKEFELLER, Jr. The whole question, Mr.—

Chairman WALSH (interrupting). Is that the way you understand it?

Mr. ROCKEFELLER, Jr. I can not remember how it affected me at the time, because that was not the part of the letter I paid any great attention to.

Chairman WALSH. How does that part affect you now?

Mr. ROCKEFELLER, Jr. Would you be good enough to read it again?

Chairman WALSH. Yes.

"In certain industries it is going to be easy for employers to find all the labor they desire, and unions will be confronted with a new problem. Recognition, simply for the sake of recognition, is going to be seen to be less pressing as an immediate end than that of maintaining standards already existing, and unions may rightly come to regard as their friends and allies companies and corporations large enough and fair enough to desire to maintain these standards of their own accord. For the unions to take a different view will certainly mean to lose the substance of fair conditions while wasting resources in fighting for the shadow of recognition. Here, it seems to me, lies a possible avenue of approach toward restoring normal conditions in Colorado."

Did you understand from that, on account of the war, competitive conditions would be so great in the field of labor, one individual against the other, that the worker would be glad to maintain its conditions of living and give up any fight for the recognition of a union democratically formed?

Mr. ROCKEFELLER, Jr. That the question would have to be on maintaining what had already been accomplished by unionism, rather than seeking to extend the scope of the accomplishments.

Chairman WALSH. That is the way you understand it?

Mr. ROCKEFELLER, Jr. That is the way I get it from the way you read it.

Chairman WALSH. Did you get that from the last line here: "Here, it seems to me, lies a possible avenue of approach toward restoring normal conditions in Colorado."

Mr. ROCKEFELLER, Jr. I think the meaning there doubtless was that it would be naturally unwise for any union to continue the condition of unrest and of large expense when the economic conditions of the country were such as to make it an exceptionally difficult fight.

Chairman WALSH. That was your understanding of it?

Mr. ROCKEFELLER, Jr. Yes. May I read the letter now?

Chairman WALSH. Yes; you may read any part of that letter now or all of it, Mr. Rockefeller, if you see fit.

Mr. ROCKEFELLER, Jr. I will read such portions of this letter from Mr. Mackenzie King as were included in my letter to Mr. Welborn—my letter of August 11, 1914. These are the extracts from the letter of Mr. Mackenzie King, dated August 6, 1914:

"I agree with you in believing it to be extremely unlikely that the United Mine Workers of America will call off the strike. They might be willing to drop open active support by degrees, but I am inclined to think that where recognition has been the principle for which they have been fighting, they will not openly abandon the struggle with anything short of what they may be able to construe as such.

"It may be, however, that organized labor in the United States will realize the opportunities and handicaps likely to come to certain industries through the changed conditions of Europe and will be prepared to cease hostilities where industrial strife at present exists, in order that on the one hand labor may reap with capital a fuller measure of the harvest, or, in the industries that may be differently affected, protect itself against consequences that are certain to arise. I fear that the view likely to be taken by some of the leaders may, at the outset, be the shortsighted one of endeavoring to persuade their followers that the opportunities which may come to American capital through the crippled condition of industries elsewhere will induce a recognition which under less favorable circumstances might not be granted. This is almost certain to be the immediate effect, and I think you are wise, therefore, in dismissing altogether from your mind the possibility of the United Mine Workers calling off the present strike, even if under any circumstances short of recognition they would be likely so to do. It will not be very long, however, before the inevitable effects of the European war on American labor conditions are certain to make themselves felt, both because of the scarcity of capital available for investment and the crippled condition of industry on the other side, and once this becomes apparent the unions will have to revise considerably some of their present policies.

"It would be fortunate, indeed, if out of the changed conditions which this European war is certain to produce, a means might be found of restoring industrial peace in the United States in industries such as coal and fuel, where there is a certainty of a direct hearing. It may be that among those who are embarrassing the situation in Colorado there are many foreigners who may feel compelled to return to Europe, and that may prove an immediate factor of importance. Looking at the ultimate rather than the immediate effect, there is, speaking generally, going to be a large amount of unemployment as a consequence of this war, and once the war is over thousands of men and their families in the Old World are going to seek future employment in the New. In certain industries it is going to be easy for employers to find all the labor they desire, and unions will be confronted with a new problem. Recognition simply for the sake of recognition is going to be seen to be less pressing as an immediate end than that of maintaining standards already existing, and unions may rightly come to regard as their friends and allies companies and corporations large enough and fair enough to desire to maintain these standards of their own accord. For the unions to take a different view will certainly mean to lose the substance of fair conditions, while wasting resources in fighting for the shadow of recognition. Here, it seems to me, lies a possible avenue of approach toward restoring normal conditions in Colorado.

"The possibilities here set forth might be pointed out by employers in a perfectly frank and open manner. It might be said with equal frankness that were it desired to profit by such a situation employers may seek later to enforce individual agreements with all men desiring to enter their employ; may even consider, as some doubtless will, altering conditions of employment to their supposed immediate advantage. Between the extreme of individual agreements on one side and an agreement involving recognition of unions of national and international character on the other lies the straight acceptance of the principle of collective bargaining between capital and labor immediately concerned

in any certain industry or group of industries, and the construction of machinery which will afford opportunity of easy and constant conference between employers and employed with reference to matters of concern to both, such machinery to be avowedly constructed as a means on the one hand of preventing labor from being exploited, and on the other of insuring that cordial co-operation which is likely to further industrial efficiency.

"Granting the acceptance of the principle outlined, the machinery to be devised should aim primarily at securing a maximum of publicity, with a minimum of interference, in all that pertains to conditions of employment. By this I mean that the hope of establishing confidence between employers and employed will lie more in a known willingness on the part of each to confer frankly with the other than in anything else. Similarly, the avoidance of friction likely to lead to subsequent strife is likely to be minimized by agencies which will disclose the existence of irritation and its cause, at or near inception; trouble most frequently follows where ill feeling is allowed to develop, unknown or unheeded.

"A board on which both employers and employed are represented and before which at stated intervals questions affecting conditions of employment can be discussed and grievances examined would appear to constitute the necessary basis of such machinery. The size of this board and whether there should be one or many such boards would depend upon the numbers employed and the nature of the industry and whether or not the work is carried on in one or several localities. Where, for example, there are different mines—or refining plants, as well as mines—it might be that boards pertaining to each individual concern might be combined, with a provision for reference to a joint board covering the whole industry or group of industries, to which matters not settled by smaller boards might be taken for further discussion and adjustment.

"In determining the character of representation on such boards, broadly speaking, a line might be drawn between those who are 'paid salaries,' on the one hand, and those who 'earn wages,' on the other. This is very rough and very general, for there are in some industries a class of petty bosses whose interests may appear to identify them more closely with wage earners than with salaried officials; but, broadly speaking, men who have authority to give orders and to direct operations fall into the salaried class, while men who have no authority to direct others and whose own work is subject wholly to direction fall into the category of wage earners. The selection of representatives on such boards should be made at a meeting or meetings of employees called expressly for the purpose. It might be left optional for the employees to say whether they desired a permanent form of organization, of which their representatives on a board would be the officers, or whether they would prefer the selection of individuals at stated periods, without reference to any permanent form of organization. It would also be left optional with the workers themselves to say whether they wished to allow representatives so chosen a salary in payment of their services or whether such services would have to be voluntary. A company might with propriety offer to provide the place of meeting for the boards, and possibly go to the length of supplying the employees with permanent office accommodation for their representatives, leaving it, however, to the employees themselves to provide whatever might be necessary in the way of salaries and expenses in the keeping up of such offices.

"It would not appear desirable at the outset that these boards should have anything to do with benefit features. They should not be framed with a view of restricting, through possible benefits, the liberty of any man as respects the continuance of his employment, but should aim primarily at affording a guaranty of fair play in determining, in the first instance, the conditions under which men would be obliged to work and the remuneration to be paid; and, secondly, the carrying out of these conditions in a spirit of fair play.

"One thing to be especially aimed at in the construction of such boards would be the making virtually certain of the possibility of grievances or conditions complained of being made known to, and subject to, the review of persons in authority over and above the parties immediately concerned, where the parties fail to adjust these differences between themselves—this to be carried even to the point that directors, if need be, should have, where the numbers to be affected are likely to justify it, a knowledge of the situation and power to pass upon it. This feature will probably not appeal to pit bosses and managers who may desire absolute authority. On the other hand, I am convinced it should be possible to so frame a constitution for these boards that the possibility of this review would in no way interfere with discipline, but would be a material assistance, rather than a handicap, to those who are charged with responsibility.



"What might be expected of boards of this kind would be that employees before taking up any question with the officers of the company would try to adjust or settle it among themselves. Falling adjustment in this manner, differences and difficulties would be presented to the officers of the company, not by the individuals immediately affected, but by the duly constituted representatives chosen to safeguard the interests of all. Having had a preliminary sifting in this manner, cases could be brought before a committee of the board, or before the whole board in any one industry, for adjustment. If it should be found that an individual board could not definitely determine a matter of importance, there might be brought a further appeal on stated conditions to a board chosen to represent the industry as a whole, or a group of allied industries, the purpose here being to get away to a degree, for purposes of adjustment, from the parties immediately concerned, but not wholly away from parties likely to be ultimately affected. This would make it an essential that all members of such boards, excepting, possibly, persons chosen as chairman, referees, or umpires, should be persons actually employed in the industry or connected with it in some way, not persons chosen from outside. It should be possible, however, for workmen to select one or more of their number who could give their entire time to acting in a representative capacity and pay them a salary pending their acting in such capacity.

"I think, in a very rough way, this covers the points mentioned in our conversation. I really hesitate to send this letter in such rough outline and without care in preparation. I believe so strongly in never advising in regard to any situation until one has made oneself familiar with all its phases that I feel I am running a great risk in even setting forth what this letter contains, as there may be conditions or reasons which will render its suggestions wholly inapplicable to some of the industries with reference to which consideration is invited."

Chairman WALSH. I have been asked, Mr. Rockefeller—it has been suggested to me to have you make more clear just how this committee is selected in the plan referred to in the letter of the 19th instant?

Mr. ROCKEFELLER, Jr. Just how the committee is selected?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. I would be glad to do so. You mean the committee of 25?

Chairman WALSH. Yes; the committee of 25—is that the only committee mentioned?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. I confess that I was confused: I thought there was a subcommittee of three.

Mr. ROCKEFELLER, Jr. I think the confusion arises because you have had that in your mind from the correspondence and the suggestions made from time to time by various people. I assume you now understand what has been done?

Chairman WALSH. Yes, sir.

Mr. ROCKEFELLER, Jr. The plan, as described in my statement of yesterday consists of a committee of 25, I think 25, individuals selected by the men at each camp, and notice was posted at each camp asking the men to assemble in a mass meeting—a meeting at which neither pit bosses nor superintendents should be admitted, to elect by ballot from their number one representative for every 250 men, who should represent the men in taking up with the representatives of the company any matters of mutual concern, who should also represent the men in a conference with the officers of the company at Denver from time to time. These men thus elected by the representatives of the mining camps are to continue to represent the interests of the group which chose them until such time as any group might desire by similar election in mass meeting to elect some successor to the original man chosen.

Chairman WALSH. Now, Mr. Rockefeller, you stated yesterday, I believe, that your father, during the 12 years in which he has held an interest in the Colorado Fuel & Iron Co., has received a return of \$371,000 upon his stock; is that correct?

Mr. ROCKEFELLER, Jr. I think it is, Mr. Chairman—I will look in the statement—\$371,000 on the capital stock, on his investment in the capital stock of the company.

Chairman WALSH. You stated also that during the same period he has held bonds as follows: Colorado Industrial fives, \$14,500,000; Colorado Fuel & Iron, general fives, \$366,000.

Mr. ROCKEFELLER, Jr. I think that was taken from this statement. Please read that again.

Chairman WALSH. You stated also, if I understood you correctly, that he has held bonds as follows: Colorado industrial fives, \$14,500,000; Colorado Fuel & Iron, general fives, \$366,000.

Mr. ROCKEFELLER, Jr. I must have made the statement from this statement, which reads: "Colorado industrial fives, personal holdings, \$13,450,000, par value."

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. General mortgage fives, \$376,000, par value. I think those must be the two items.

Chairman WALSH. I guess so. I gathered that from the record as I ran along and may not have got it correct; but it is correct enough for the purposes of this question. You also stated that the Colorado Fuel & Iron Co. had not defaulted on its bonds; is that correct?

Mr. ROCKEFELLER, Jr. It has not defaulted to my knowledge.

Chairman WALSH. I have made a calculation on the basis of those figures—

Mr. ROCKEFELLER, Jr. (interrupting). Pardon me; they have not defaulted to my knowledge.

Chairman WALSH. I have made a calculation on the basis of these figures which shows that your father received during these 12 years income on the bonds amounting to \$3,889,000, and on the stocks \$371,000, making in all \$9,260,000 income from the Colorado Fuel & Iron Co. Is that approximately correct?

Mr. ROCKEFELLER, Jr. I have not figured it that way. I have simply figured the return in rate per cent on the total investment.

Chairman WALSH. I am trying to get at, if possible, the actual amount of cash gotten by your father.

Mr. ROCKEFELLER, Jr. I can give it.

Chairman WALSH. I analyze it this way, with this little difference in figures, \$14,500,000. Colorado industrial fives, 5 per cent for 12 years, \$8,670,000; \$366,000 C. F. & I. general fives, \$219,000; income on stocks, \$371,000, making a total of \$9,260,000.

Mr. ROCKEFELLER, Jr. That is very likely correct and doubtless, if you have figured it; I have not figured it.

Chairman WALSH. I will give you this when I have finished, so that you may verify the figures. I believe you stated that you could not give the number of employees of the Colorado Fuel & Iron Co. in normal years employed there?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Mr. Welborn has stated that the number of employees employed in normal years is about 15,000; would you accept that as correct if it does so appear in his testimony?

Mr. ROCKEFELLER, Jr. I should.

Chairman WALSH. The combined statement shows then that your father's total income has been \$9,260,000, while the employees have received in wages \$92,000,000, I believe you stated?

Mr. ROCKEFELLER, Jr. Yes; approximately.

Chairman WALSH. Through that period.

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Would you consider it just and socially desirable that 15,000 employees should have worked for 12 years, and many of them have been crippled and sacrificed their lives—that they should at least receive 10 times as great a return as one man who has never visited the property through that period and whose representative has visited it but once?

Mr. ROCKEFELLER, Jr. Mr. Chairman, strictly as a matter of investment, you put your money in a savings bank and you get at least 3½ or 4 per cent, and the total income my father has gotten has not run as high as 4 per cent. I can not see that there is any particular connection between what a man gets for money that he lends and what may be paid in any industry as the total in wages to the employees of that industry.

Chairman WALSH. My question is finally, would you consider it just and socially desirable that 15,000 employees who had worked for 12 years and many of them have been crippled and sacrificed their lives, should, as a matter of justice, receive 10 times as great a return as one man who had not visited the property—as a matter of social justice?

Mr. ROCKEFELLER, Jr. I can not make any comparative statement. I think the employees should receive full wages, and I think they have. I think capital

is entitled to a fair return. There has not been a fair return. I think as between the two, the employees have fared better than the capital.

Chairman WALSH. How much more would you consider a fair return?

Mr. ROCKEFELLER, Jr. On capital?

Chairman WALSH. On capital, considering the conditions in Colorado such as you did observe when you were there 10 years ago.

Mr. ROCKEFELLER, Jr. The rate of 5 per cent on the ordinary bond we thought was about the fair bond interest. There are bonds often that pay 6 per cent. Around there would seem to be a fair return for money loaned on bonds. I should regard the return of two-thirds of 1 per cent per annum on the cash invested in any industrial enterprise as utterly inadequate. Certainly capital could not long be led into industry on any such return as that.

Chairman WALSH. Which would be utterly inadequate, then, to properly stimulate investment of capital in industries?

Mr. ROCKEFELLER, Jr. I think two-thirds of 1 per cent, certainly.

Chairman WALSH. I just wanted to gather what you meant by that being utterly inadequate.

Mr. ROCKEFELLER, Jr. Two-thirds of 1 per cent.

Chairman WALSH. Would be utterly inadequate for what?

Mr. ROCKEFELLER, Jr. To stimulate capital to go into industries. Capital naturally flows into savings banks at 3½ or 4 per cent, where there is no risk, where the capital can be drawn out at any time, rather than into industry where the risk is enormous and where the capital can not be drawn out at the will of the investor.

Chairman WALSH. Now, I am going to leave the subject of general industries, as well as—I believe I made a request for you to kindly produce to the commission the letter of Mr. Mackenzie King from which that quotation was that you read to us.

Mr. ROCKEFELLER, Jr. I did not understand that, Mr. Chairman. I would be glad to produce the letter.

Chairman WALSH. Please produce the original letter.

(See Rockefeller, Jr., Exhibit No. 3.)

Chairman WALSH. Have you enough data to get that letter?

Mr. ROCKEFELLER, Jr. Oh, yes.

Chairman WALSH. I was going to say that I would leave your direct examination on the general industrial topics as well as on Colorado, and call your attention now particularly to the work of the foundation or the philanthropic activities of your father and the organizations which he had created. Of what philanthropic foundations are you a trustee?

Mr. ROCKEFELLER, Jr. The Rockefeller Foundation, the General Education Board, the Rockefeller Institute for Medical Research.

Chairman WALSH. Is the International Sanitary Commission one of your activities?

Mr. ROCKEFELLER, Jr. The International Health Commission is one of the organizations created by the Rockefeller Foundation as a subsidiary organization to deal with certain particular questions. I did not know that you included in your request the subsidiary organizations.

Chairman WALSH. Well, perhaps I did not. I do not know that we did. But just briefly explain whether or not it stands upon any different basis from the Rockefeller Foundation, the General Education Board, and the Rockefeller Institute for Medical Research.

Mr. ROCKEFELLER, Jr. Oh, yes.

Chairman WALSH. If so, please briefly state what it is.

Mr. ROCKEFELLER, Jr. The Rockefeller Foundation and the General Education Board and the Rockefeller Institute all have their own independent separate funds and boards of trustees and officers. The International Health Commission is an organization created by the Rockefeller Foundation for the purpose of dealing with questions of health. At the moment it is dealing with the eradication of the hookworm disease throughout the world, as a previous organization, whose work it has taken over, dealt with the hookworm disease in the Southern States of this country.

Chairman WALSH. Were those foundations established by Mr. John D. Rockefeller?

Mr. ROCKEFELLER, Jr. May I just add one word—

Chairman WALSH. Certainly.

Mr. ROCKEFELLER, Jr. In connection with that question: That the International Health Commission has no funds of its own. Its funds are received from

the Rockefeller Foundation. That was set forth in an answer to one of the questions in one of the questionnaires.

Chairman WALSH. Were those foundations established by Mr. John D. Rockefeller?

Mr. ROCKEFELLER, Jr. They were.

Chairman WALSH. Of what other philanthropic and civic, educational, or religious agencies are you a member of the governing board?

Mr. ROCKEFELLER, Jr. I am a member of the board of trustees of the Bureau of Social Hygiene, which is a small organization which has been dealing with certain social questions for several years past. I am a member of the board of trustees of the church of which I am a member. I do not at the moment think of any other.

Chairman WALSH. Any civic organizations of any sort?

Mr. ROCKEFELLER, Jr. Not that I recall.

Chairman WALSH. Any educational organizations other than those which you have mentioned?

Mr. ROCKEFELLER, Jr. Not that I recall.

Chairman WALSH. Did you advise with your father in advance of the establishment of these foundations?

Mr. ROCKEFELLER, Jr. My father has always advised with me and the other members of his staff on these matters.

Chairman WALSH. You were therefore familiar with the purpose, method, instruction, and method of management, and results of these various foundations?

Mr. ROCKEFELLER, Jr. Quite so.

Chairman WALSH. Have you in addition given considerable study to the question of the relations of private benevolences to social and economic conditions, to government, industry, and the like?

Mr. ROCKEFELLER, Jr. Well, in connection with these several organizations, I have.

Chairman WALSH. What proportion of your time, would you say, during the past 13 years, since the General Education Board was established, have you given to studying the management of these philanthropies?

Mr. ROCKEFELLER, Jr. Of course, during the past 13 years I have not given any time—

Chairman WALSH (interrupting). That is, study and management, also, I might add.

Mr. ROCKEFELLER, Jr. Yes. During the past 13 years I have not of necessity given any time to the study and management of the Rockefeller Foundation, because that was founded about 18 months ago; only that long has it been in existence. The Bureau of Social Hygiene has been in existence some 4 or 5 years, possibly.

Chairman WALSH. Your father's philanthropies have extended over a period longer than 13 years, I believe?

Mr. ROCKEFELLER, Jr. Since his early boyhood.

Chairman WALSH. The question I asked you was: What proportion of your time, during the past 13 years, since the General Education Board was established, have you given to studying the management of Mr. Rockefeller's foundations?

Mr. ROCKEFELLER, Jr. I thought you said these foundations.

Chairman WALSH. I probably did.

Mr. ROCKEFELLER, Jr. That is why I say, Mr. Chairman, it would be difficult, as I stated this morning, to accurately approach even a guess as to how much time I give to philanthropic and educational matters and how much to business matters. Our office is so organized that we deal with any of the problems that come up in the day—educational, business, philanthropic; whatever does come up. As I stated this morning, I might spend all of to-day on matters bearing on the foundation. I might spend no time for a week from this on on such matters. I might spend to-morrow half an hour on matters connected with the General Education Board, or I might spend to-morrow, as I should if I were not to be here, sitting with the board during the entire day, because its meeting comes to-morrow. And so it is irregular, Mr. Chairman, and difficult for me to make a specific answer to the question.

Chairman WALSH. Could you approximate or compare the proportionate time given during the past 13 years to the study of philanthropic questions and the management of philanthropies with the proportionate time you have given to

the study of industrial questions, such as have been presented since you have been on the witness stand at this hearing?

Mr. ROCKEFELLER, Jr. I have given very little time to the study of industrial questions. As I have stated in answer to other questions, those are questions which I have not taken up to any extent.

Chairman WALSH. What is the total amount to date of your father's public giving?

Mr. ROCKEFELLER, Jr. There is no accurate record that I am familiar with, at least no record has been made. I think, if I may make a guess, Mr. Chairman, as close as possible that it would approximate a quarter of a billion of dollars.

Chairman WALSH. Of these gifts what totals have been given to foundations established by Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. One hundred millions to the Rockefeller Foundation. About thirty-three or thirty-four millions at present in the hands of the General Education Board, and that I must explain. Another larger gift has been made to the board, but as regards a portion of the income my father at the time of the making reserved the right to designate the objects to which such portion should be given within the corporate purposes of the board. And in that way certain moneys were given to the University of Chicago and to the Rockefeller Institute for Medical Research. So that the funds now in the hands of the General Education Board, those funds having passed out, amount to about \$33,000,000.

Chairman WALSH. About what amount has been given other than through the foundation?

Mr. ROCKEFELLER, Jr. I think the total of the gifts to the—

Chairman WALSH. Subtract the gifts from the total and we would have the approximate, I would suggest.

Mr. ROCKEFELLER, Jr. The Rockefeller Institute for Medical Research has received something under \$10,000,000 direct from my father, I should say, not including the gift of two and one-quarter millions made recently, but not yet paid, through the Rockefeller Foundation. But it would not be accurate to count that both in the Rockefeller Foundation and in the Institute for Medical Research. Therefore, I should say that the gifts thus far to the Rockefeller Institute would represent in round figures about \$10,000,000; to the General Education Board, about \$34,000,000; to the Rockefeller Foundation, \$100,000,000; to the University of Chicago, about \$33,000,000 or \$34,000,000. I have added to the sum of those four or five figures, a figure which it seems to me would about approximate what my father's further and separate gifts have been along those lines during the many years in which he has been interested in such matters.

Chairman WALSH. Do you think more public service has been rendered through the foundations than would have been rendered if Mr. Rockefeller had given these amounts to employees in industries in which he had investments?

Mr. ROCKEFELLER, Jr. I think my father has always felt, Mr. Chairman, and I certainly have, very cordial sympathy with his feeling, that one of the best forms of philanthropy is the investment of money in the building up of productive industry. I think at the same time he has felt that while that was doubtless one of the highest and most productive forms for the use of money, that there were certain things which could best be accomplished by gifts of sums to other organizations, educational, philanthropic, etc.

Chairman WALSH. Have you ever had a description prepared for you, Mr. Rockefeller, of what might have been accomplished if the sums which have been given through your benefactions of various kinds, had been given in increased wages or improved the conditions of labor and standards of living in the communities from which the investments of Mr. Rockefeller have drawn the profits?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Will you please describe Mr. Rockefeller's purpose in establishing foundations as a means through which to render public service.

Mr. ROCKEFELLER, Jr. Generally speaking, the various lines of activities which are being carried on through these several foundations were to a smaller extent carried on by my father personally prior to the establishment of these foundations. And in assisting him, as assistance to him in carrying on those private philanthropies and educational matters, those who had been on his personal staff have been his associates and assistants. As my father's desire and ability to enlarge his contributions in the interest of education and of

general matters of interest to humanity at large increased, he commenced to feel that it would be desirable to crystallize into separate and distinct organizations the several activities which he had been carrying on himself. The first one which was thus created was the General Education Board. Up to that time my father had been making contributions to educational institutions as a result of studies and inquiries made by his own associates and representatives. He came to feel that a larger and more permanent contribution to the cause of education throughout the United States as a whole could be rendered were he not to limit the information and advice which he received in regard to giving to such purposes to the group, necessarily small, of his own advisers, but rather to place in the hands of an increasingly large group the responsibilities for the wise giving of such funds. And so in the establishment of the General Education Board, as the personnel of the board itself clearly will indicate, it was my father's desire and purpose to bring in to the counsels in considering and dispensing these funds, as broad and intelligent and representative a group of men, well equipped to consider such questions, as might be brought together. That covers his purpose generally in the establishment of the General Education Board. Shall I speak of the other foundations similarly?

Chairman WALSH. Yes; I would like you to go as exhaustively as you think the importance of the subject demands into the question. The commission would like to be fully informed as to your father's purpose in establishing foundations, as fully as it is possible for you to do. We think that would be the best sort of information we can get on that subject.

Mr. ROCKEFELLER, Jr. There came to my father also the growing impression that one of the great causes of misery in the world was disease. That if in any way he might be able to make a contribution toward the securing of information which would lead to the prevention of disease and possibly to the eradication of disease in some lines, he would be making a real and permanent contribution to the welfare, not only of this country, but of the world at large. The idea of medical research was, in his mind, a field not frequently entered by philanthropists because so frequently unproductive and because so costly. Believing it to be an important field he undertook to enter it. And starting, as has been his custom in the development of these several foundations, he made his first gift in a small and modest way, amounting to \$200,000, to be drawn upon as a board of the most competent medical directors whom he could get together should see fit. These men used the funds placed at their disposal in the employment of trained men to study various problems of disease. The men so employed worked in various laboratories. There was no plan as to the future, there was no suggestion by my father as to how this work should develop. For it had always been his feeling that those who are most highly trained and fully versed in any such matters should be the ones alone to lay the plans and to execute them.

The preliminary gift of several hundred thousand dollars led the directors in whose hands it was placed to develop several men of special ability as investigators as disease. As to whether these investigations should be centered in this city or that was not suggested by my father. The question of whether such an institute, if it took definite form, should be related to some existing university or other institution was not treated of by my father. That and all of the questions in regard to the development of this work of medical research, as is his universal custom, was left to the wisdom and discretion of the board of able experts into whose hands he had committed this trust. The result was that little by little those different problems commenced to solve themselves. But, without taking your time to trace the development, the present situation is that the Rockefeller Institute of Medical Research has a laboratory building, a hospital in this city, and it is constructing an additional laboratory building where a number of highly trained medical experts are associated together in studying such medical problems as the board of medical advisers who direct their work from time to time suggest and designate. That is, generally, the development of the Rockefeller Institute of Medical Research.

I may say that the studies are now along the line of one disease, now another, as was the case a few years ago when an effort was made to arrive at the cause and the possible cure of cerebrospinal meningitis. That effort was successful, and whereas cerebrospinal meningitis always exacted a deadly toll up to that time of 75 per cent of the cases affected with the disease, as the result of the application of the remedy which was discovered through the able medical men working in the institute, the first 600 cases that were observed subsequent to the

discovery of this remedy, reduced the average from 75 per cent of deaths to 25 per cent of deaths.

Chairman WALSH. In what number of cases?

Mr. ROCKEFELLER, Jr. In 600 cases. So that, I suppose, it would be fair to say 300 lives which otherwise would have been sacrificed were saved in that first 600 cases. The remedy has been used quite generally throughout different parts of the world since, and as is customary with all of the discoveries—of any discoveries that may be made in any such institute—after they have been tried out they are turned over to the public to be used in the general interest of the public. That, in brief, outlines the purpose which the Rockefeller Institute for Medical Research was organized to meet and the method of its development.

The Rockefeller Foundation was the most recent development. It was organized in order that the various lines of altruistic and other endeavor, many of which my father had up to the time of its organization been endeavoring to assist through personal contributions might continue to receive in increasing amount the attention of those who were placed in charge of the fund. The fund was purposely made very broad in its purpose, because it has been my father's view that each generation can best determine what its own specific needs are, and that he who endeavors in advance to prescribe for what purposes, as the years go by, a fund shall be used, is not as apt to render as useful service to mankind, to humanity, as he who leaves the decision as to the use of that money to the best judgment of such groups as may in each successive generation be in charge of the fund. The fund is so organized that any purpose, any object, which comes within the broad field of being helpful in the development of civilization and benefiting humanity can be undertaken, as is stated in the charter, which has been made a part of one of the questionnaires. I think, generally, that covers the situation.

Chairman WALSH. Has Mr. Rockefeller himself formulated his purpose and his viewpoint in any written publication?

Mr. ROCKEFELLER, Jr. Never.

Chairman WALSH. I would call your attention specifically to the autobiography printed in sections, in the *World's Work* in 1908-9.

Mr. ROCKEFELLER, Jr. I assumed that you meant his purpose with reference to any one of these specific foundations.

Chairman WALSH. No; not in reference to that.

Mr. ROCKEFELLER, Jr. My answer was in answer to that question.

Chairman WALSH. But as a general point of view along those lines.

Mr. ROCKEFELLER, Jr. I recall the publication to which you refer.

Chairman WALSH. These articles were afterwards collected and published in book form, were they?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. I see they are called "Random Reminiscences of Men and Events." by John D. Rockefeller.

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Copyright 1900—1908-9. What led to his writing this series of articles, if you know, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. I presume it was as much as anything the result of the desire of his family, expressed for many years, to have him put down in writing his own views with reference to matters of general importance; and we had hoped his own views and experiences in the history of his life. I have tried for many years to interest him in preparing for his descendants an outline of his life history. This is as far as I was able to get.

Chairman WALSH. So the initiative was taken by his family in having these written?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Was there any special reason for issuing this biography through that particular publication, the *World's Work*?

Mr. ROCKEFELLER, Jr. Not that I know of.

Chairman WALSH. Were the articles written entirely by your father or prepared in outline for him?

Mr. ROCKEFELLER, Jr. I did not personally have to do with the preparation of the articles or have any part in the work, so I could not state definitely on that subject.

Chairman WALSH. After the family had got to the point where Mr. Rockefeller was willing to do this, do you know whether or not it was a part of his object to give the public his views about private business and public giving?

Mr. ROCKEFELLER, Jr. I do not know as to his motive in writing those chapters.

Chairman WALSH. Did he ever mention it to you?

Mr. ROCKEFELLER, Jr. No; he did not.

Chairman WALSH. Was there any special effort made upon the part of Mr. Rockefeller or his family or his personal advisers to give any special circulation to the magazine containing the articles?

Mr. ROCKEFELLER, Jr. Quite the contrary, so far as I know.

Chairman WALSH. The book that followed, was it put out in general circulation, or was there any effort made to circulate it?

Mr. ROCKEFELLER, Jr. I think it was published and put on sale as any other book would be.

Chairman WALSH. Any other book?

Mr. ROCKEFELLER, Jr. Certainly, the family made no effort in that regard.

Chairman WALSH. Nor himself?

Mr. ROCKEFELLER, Jr. Nor himself, indeed.

Chairman WALSH. What has been Mr. Rockefeller's basis of selection of members for the various foundations, namely, what types of men, what types of experience, has he endeavored to secure for the foundations?

Mr. ROCKEFELLER, Jr. In the selection of the directors of the several foundations Mr. Rockefeller has been guided very largely by the suggestions made to him by his advisers, and they have sought suggestions on various hands. In connection with the board of medical directors of the Rockefeller Foundation I think I myself had to do with the effort to ascertain who among the medical men of the country ranked highest as medical authorities, and I conferred in that study with various people. I think the board as finally made up was suggested entirely to my father by myself and my associates who had that matter in charge.

Chairman WALSH. Did you suggest the names of various persons to your father, yourself and these advisers, from whom he finally selected the trustees which he desired?

Mr. ROCKEFELLER, Jr. My recollection is not clear, but I think it would be only in line with our usual method in making recommendations to him on any matter to make them as concrete as possible. I think it is highly probable that we suggested specific names, having gone over the field carefully, and having arrived at a list for final consideration which we felt we could properly recommend.

Chairman WALSH. We have had taken from the testimony of Mr. Starr J. Murphy before the Senate committee on the question of chartering the Rockefeller Foundation the following statement. I will ask you if this correctly represents the type of men you are endeavoring to get:

"We find that the kind of man you want on these boards are men of wide vision, men of wide experience, and of sound wisdom, and men of enthusiasm in the work which is before them, and who are willing to give freely of their time. None of the members of our board receive a dollar compensation for their work, and some of them come thousands of miles to attend the meetings of these boards and give freely of their time and strength to the public service. That is all we wish to preserve."

Mr. ROCKEFELLER, Jr. I think that describes very admirably what is usually in mind in the selection of men for these boards.

Chairman WALSH. Have vacancies occurred upon these boards from time to time since the original institution?

Mr. ROCKEFELLER, Jr. I think in all the boards, Mr. Chairman, the members are elected for a term of three years only, the first board being divided by lot into three groups, one serving for one year, another group for two years, and another group for three years, and as vacancies have occurred, successors to the original occupants of the position have been elected by the board.

Chairman WALSH. In what respect, if at all, have the boards as at first constituted by Mr. Rockefeller been changed, so far as type of men and experience, as placed upon the board as vacancies have occurred, are concerned?

Mr. ROCKEFELLER, Jr. Vacancies which have occurred have been few in number. In the board of medical directors of the Rockefeller Institute one vacancy, I think, has occurred by death. The man who took the place of Dr. Herter, who died, was Dr. Theodore C. Janeway, a man of the same general type. In the General Education Board, the men, as I recall at the moment, whose places have become vacant have been Mr. William H. Baldwin, who died; Mr. Robert C. Ogden; and I think ex-President E. Benjamin Andrews,



formerly president of Brown University. I do not recall at the moment any other vacancies that have occurred in that board. Men of generally similar type have been selected by the members of the board, as a body, who were in existence at the time vacancies came up to be filled.

Chairman WALSH. Who are those gentlemen?

Mr. ROCKEFELLER, Jr. Who have been added?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. I have not got the list at hand.

Chairman WALSH. Very good. I will reach it later. What method of removal of trustees has been provided in the various laws incorporating Mr. Rockefeller's foundations?

Mr. ROCKEFELLER, Jr. I do not recall that any method of removal has been incorporated. As I have stated, in all instances the term of office for the members of the board is fixed at three years, so that if it was desirable to replace a man it would be possible to do so at the end of that time and his place would be filled by some one else at the end of his term. But the men who have been selected have been chosen, Mr. Chairman, with a view to the selection of such men as it might be hoped would be continued in office after their initial term had expired for such longer term as they might find themselves able to serve.

Chairman WALSH. Do you contemplate any conditions under which privately endowed corporations might become a menace either to the general cause of education or to the industrial welfare of the people?

Mr. ROCKEFELLER, Jr. You speak now of any form of endowment of universities, or is it a general question?

Chairman WALSH. First, as a general question.

Mr. ROCKEFELLER, Jr. Is that in substance, Mr. Chairman, may I ask, the last of the six questions which the commission sent to me? Because it is so nearly like it that I assume it is, and I have prepared a brief written answer, which I would be glad to read if I may.

Chairman WALSH. You may read the answer, because I do not have question 6 fixed in mind, and if your answer does not answer my question I will propound it again.

Mr. ROCKEFELLER, Jr. Question 6 is, "Do the large foundations constitute a possible menace either to the general cause of education or to the industrial welfare of the people? If so, what regulation or supervision is desirable?"

Answering in respect to the two foundations with which I am connected—by those, of course, I mean the General Education Board and the Rockefeller Foundation—the Rockefeller Institute for Medical Research we have not regarded as a foundation in the same sense, it having a specific purpose [reading]:

"The two foundations with which I am connected, namely, the Rockefeller Foundation and the General Education Board, are not endowed; their funds, both as regards principal and interest, in accordance with the deeds of gift, are subject to distribution at any time in the discretion of the trustees. These corporations, as is true of all modern corporations, are subject to the reserved power of the legislative bodies which created them—to modify or repeal their charters whenever the public interests require."

Chairman WALSH. Under what conditions, leaving aside your foundations, would you consider privately endowed foundations might become a menace to either the general cause of education or to public welfare?

Mr. ROCKEFELLER, Jr. The problem with which I have been engaged most is rather how such foundations could be made serviceable to humanity. I have given no thought to the other phase of it.

Chairman WALSH. You have given no thought to the question of whether or not these large endowed foundations might become a menace to the general cause of education or to the public welfare of the people?

Mr. ROCKEFELLER, Jr. I have not thought it was necessary with reference to those two foundations of which I speak, or generally to broad foundations, because of the power of the legislative body granting the charter to repeal or modify the charter.

Chairman WALSH. Then your answer is that you have not given that question any thought?

Mr. ROCKEFELLER, Jr. Not beyond thinking that that seemed to be an absolute safeguard.

Chairman WALSH. Not beyond the thought that the legislature could repeal it if the members or the people were so inclined?

Mr. ROCKEFELLER, Jr. I have had such confidence in the principles of democracy that I have felt that the people could be relied upon to act when the necessity arose.

Chairman WALSH. During the period that the question of granting a Federal charter to the Rockefeller Foundation was before the Congress of the United States did you read the editorial comments of the newspapers of the country and the magazine articles upon the subject?

Mr. ROCKEFELLER, Jr. I saw a part of them.

Chairman WALSH. What steps did Mr. Rockefeller's advisers take to secure copies of editorial comment upon either the benefits or dangers or criticism of Mr. Rockefeller's foundations?

Mr. ROCKEFELLER, Jr. They have never taken any definite and organized steps to secure such information.

Chairman WALSH. Did you subscribe to the clipping service during the period when the request for a national charter was before Congress?

Mr. ROCKEFELLER, Jr. Very possibly at that time, although I do not recall.

Chairman WALSH. Did you personally read generally the comments that were made by the publications of the country upon the subject of the granting of a charter to the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. How generally I could not state; I saw a number of comments.

Chairman WALSH. Did you personally secure an analysis—a summary of their contents?

Mr. ROCKEFELLER, Jr. I did not personally secure an analysis or summary of their contents—contents of the criticisms, you mean?

Chairman WALSH. Yes; of the criticism or comments in the publications of the country?

Mr. ROCKEFELLER, Jr. Not generally, but I have had in mind quite clearly the several points which were raised at that time.

Chairman WALSH. Has Mr. Rockefeller, referring to your father, of course, recognized any dangers connected with the future of foundations established by him?

Mr. ROCKEFELLER, Jr. I think I am justified in saying that he has thought, as I have thought, that the powers of the legislative bodies granting the charters, to modify or repeal them, made that risk nil.

Chairman WALSH. Do you feel that the present safeguards give adequate assurance that the various Rockefeller Foundations will never become a menace?

Mr. ROCKEFELLER, Jr. I do not see how they can if the people, as the years go by, perform their part.

Chairman WALSH. What means have been provided by which the public would promptly know in case one of the Rockefeller Foundations was being used, whether knowingly or unknowingly, against the public interests?

Mr. ROCKEFELLER, Jr. It has been increasingly the purpose and endeavor of these several foundations to have their work very generally known, believing that the success of the work, particularly in the foundation which has a very broad scope, would depend to a great degree upon the public interest and cooperation in the use of the fund.

Chairman WALSH. Has the Rockefeller Foundation ever rendered a public report?

Mr. ROCKEFELLER, Jr. The Rockefeller Foundation has only been in existence since, I think, March, 1913. Its first year was a partial year and no report was written. Its second year is terminating with its annual meeting this week. A report is being prepared—has been, I think, prepared—for that meeting. It has been the purpose and is the purpose of the directors of the foundation to have annual reports prepared covering fully the activities of the preceding year, but although such reports have not yet been made, or made public, for the reasons I have stated, we think quite extensive publicity has been given to the work of the foundation, and it is the desire and purpose of the directors to have the public fully informed at all times of the work of the foundation.

Chairman WALSH. And that will include what, please, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. What methods of informing the public?

Chairman WALSH. Yes; these reports; what will go to the public?

Mr. ROCKEFELLER, Jr. Everything, Mr. Chairman, that the directors may feel to be of the slightest public interest—everything that the public may feel the slightest interest in.

Chairman WALSH. When was the first publication made as to what constituted the \$100,000,000 in the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. Do you mean the securities which went to make up the \$100,000,000?

Chairman WALSH. Yes; the securities which went to make up the \$100,000,000?

Mr. ROCKEFELLER, Jr. I can not give you the date. I think the first publication was made within the past few months.

Chairman WALSH. And where was it published?

Mr. ROCKEFELLER, Jr. It was published in a general statement that was given out by the officers of the foundation to the press of the country.

Chairman WALSH. When was that given out with reference to the submission of the questions of this commission as to what constituted the property of the Rockefeller Foundation? Was it after the questionnaire of the commission was submitted to you?

Mr. ROCKEFELLER, Jr. I think it was.

Chairman WALSH. And was the same information given to the press that was given in answer to the questions from the commission as to that point?

Mr. ROCKEFELLER, Jr. There was. The first questionnaire, as well as the second questionnaire, was answered with the utmost care. We spent days in preparing in the fullest and most accurate way possible the answers which were requested, and it seemed to the members of the foundation that a considerable portion of the material thus gotten together might appropriately be made public and might be of general public interest without waiting for the publication of the annual report. The general question of the foundation being up in the public mind, as a result of the proposed inquiry of this commission, the foundation directors thought that they owed it to the public to give all the information which the public might be thought to be interested in, and therefore did not wait, since the question was up, until the annual report, which would be the natural yearly time at which publication should be made of such information.

Chairman WALSH. I am going to ask the stenographer to please read again my question and ask you to kindly give me a direct answer to it, if possible.

The REPORTER (reading):

"When was that given out with reference to the submission of the questions of this commission as to what constituted the property of the Rockefeller Foundation? Was it after the questionnaire of the commission was submitted to you?"

"Mr. ROCKEFELLER, Jr. I think it was.

"Chairman WALSH. And was the same information given to the press that was given in answer to the questions from the commission as to that point?"

Mr. ROCKEFELLER, Jr. Portions of it, would be the answer.

Chairman WALSH. Was that the first public announcement as to the character of the securities which constituted the \$100,000,000?

Mr. ROCKEFELLER, Jr. It was.

Chairman WALSH. Should the size of an endowment be limited in the incorporating act of the State legislature, or of Congress, or by general law of the State or Nation?

Mr. ROCKEFELLER, Jr. My own opinion on that question is, Mr. Chairman, that the larger the foundation the safer it is, because the more sure it is to attract very general public interest, and there is nothing that could be so helpful in keeping any foundation directed along lines calculated to be of service to the recurring generations as that careful and critical and general public attention to the purposes and acts of such foundation.

Chairman WALSH. Mr. Reporter, I wish you would please repeat the question.

The REPORTER (reading):

"Should the size of an endowment be limited in the incorporating act of the State legislature, or Congress, or by general law of the State or Nation?"

Chairman WALSH. You either misunderstood me or I misunderstood your answer.

Mr. ROCKEFELLER, Jr. I thought I was conveying my opinion on that subject—

Chairman WALSH (interrupting). Then I did not gather it.

Mr. ROCKEFELLER, Jr. (continuing). Better than I could by simply saying yes or no. Yes or no does not give the idea. I think there is no danger—rather I think the danger is less with a large foundation. Therefore I think it

is not necessary to safeguard the—in safeguarding the interest of the public, to limit the amount.

Chairman WALSH. Should foundations be required to consume their income each year or be prohibited from showing an increase in capital out of income accruals for a stated period of 5 or 10 years, say?

Mr. ROCKEFELLER, Jr. I suppose you mean, Mr. Chairman, should a general policy of increasing the funds be entered into? I suppose you do not mean that several years might not go by and a surplus might not accumulate which might subsequently be more than expended; but you mean the general policy, do you, of increasing the fund?

Chairman WALSH. Should foundations be required to consume their income each year, or be prohibited from showing an increased capital out of income accruals?

Mr. ROCKEFELLER, Jr. I should not regard such a requirement necessary.

Chairman WALSH. Should the minimum number of trustees of a self-perpetuating body be prescribed in the incorporating act?

Mr. ROCKEFELLER, Jr. I should think it would be wise.

Chairman WALSH. Speaking generally, what is the best number for a governing board of a large foundation?

Mr. ROCKEFELLER, Jr. That is a difficult question to answer, Mr. Chairman. I should think that from 10 to 20 would be the two desirable limits; not more than 20 for the sake of convenience and ability to get meetings, and I should think that with any large foundation that 10 would be a small enough number for the permanent board.

Chairman WALSH. Should the incorporating act, whether by Congress or legislature, specifically provide for the optional wind-up of the foundations within 25 or 50 years, or in any limited number of years?

Mr. ROCKEFELLER, Jr. Well, that would depend, Mr. Chairman. If the purpose the foundation was so broad that it never could be outlived I should not think it was necessary. If the purport was a specific purpose which one might conceive might be outlived in a hundred years or five hundred years, I should think it would be desirable.

Chairman WALSH. Do you think it would be desirable for the act creating the Rockefeller Foundation to provide for the optional winding up of it at the end of, say, 50 years?

Mr. ROCKEFELLER, Jr. By "optional," do you mean optional by the action of the trustees?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. That is not necessary, for, as I stated, the fund is not an endowment fund but may be paid out in its entirety, both interest and principal, by vote of the members of the board, as prescribed by the by-laws—that is, as to the number who should vote on such a matter and the method of taking such vote.

Chairman WALSH. Then your answer is, I take it, that there should be no optional winding up of the Rockefeller Foundation at the end of 50 years?

Mr. ROCKEFELLER, Jr. My answer was that it was not necessary, because it has already been provided for.

Chairman WALSH. You mean in the by-laws of the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. No; I mean in the letter of gift. In the letter of gift it was stated—

Chairman WALSH. Do you mean in the deed of gift?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. But that is not provided for in the incorporating act from the State?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Should the incorporating act specifically provide for the compulsory closing of the endowment in any stated time—25 or 50 or 100 years?

Mr. ROCKEFELLER, Jr. I should see no necessity for that, Mr. Chairman, in view of the fact that the legislature granting the charter can at any time amend or rescind the charter.

Chairman WALSH. Should the incorporating body retain for the public an outside veto of proposed members of private foundation charters?

Mr. ROCKEFELLER, Jr. That is a matter which, in so far as the Rockefeller Foundation is concerned, came up when the charter was being sought from Congress. It was suggested that such a veto would be desirable. I am not prepared to say that it might not be desirable. It may be that as the foundation

develops and its directors have studied more the requirements of conditions, that they will suggest something of that kind. The reason why that suggestion made in connection with the request for the charter from Congress was not introduced in the State charter was that those who were seeking the charter were not convinced at that time of the wisdom of the suggestion and thought that a wiser measure was to let the desirable procedure in such matters develop as more experience was had.

Chairman WALSH. Should the real and personal property held by foundations be exempt from local or State taxation?

Mr. ROCKEFELLER, Jr. Well, I see no reason why they should not be, any more than other charitable organizations which are thus exempt by State laws.

Chairman WALSH. Should exemption relate only to property used for benevolent purposes?

Mr. ROCKEFELLER, Jr. Do you mean real and personal property?

Chairman WALSH. Real or personal property.

Mr. ROCKEFELLER, Jr. I think it does so relate only.

Chairman WALSH. Well, does it relate both to real and personal property?

Mr. ROCKEFELLER, Jr. I should think so.

Chairman WALSH. Why should not foundations be taxed?

Mr. ROCKEFELLER, Jr. I have not undertaken to consider why the State legislatures, in passing their general acts under which charitable corporations have been formed, have thought it unwise or unnecessary or undesirable to tax such corporations. I assume that the feeling has been that such corporations were making a substantial contribution to the wealth of the community, large or small, in which they might be located or in which they might be operating, and that such contributions were so desirable that it was in the public interest that the funds should be left as large as might be.

Chairman WALSH. What is the New York law relative to taxation of property such as is held by the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. My understanding is that only such real property as is actually being used for the purposes of such foundation is exempt from taxation. Other realty held as investment would be taxed. As regards personal property, there is no tax.

Chairman WALSH. In your opinion, is the exemption of such property equivalent to taxing all of the public for work of special interest to a part of the public and subject to the control only of a part?

Mr. ROCKEFELLER, Jr. I have no opinion on that subject.

Chairman WALSH. If foundations were taxed, would they be apt to keep in closer touch with public needs and would they be more apt to be interested in efficiency of government?

Mr. ROCKEFELLER, Jr. I should not think it would make any substantial difference.

Chairman WALSH. Should payment of foundation funds to members of the governing board be prohibited or specifically restricted in the act of incorporation?

Mr. ROCKEFELLER, Jr. It never had occurred to me that such a restriction or prohibition would be necessary.

Chairman WALSH. Should any limit be placed upon reasonable compensation paid to members of the governing boards of such an institution?

Mr. ROCKEFELLER, Jr. I had not supposed that that would be necessary.

Chairman WALSH. Is there any probability that officers of foundations will be paid larger salaries than would govern in universities and charitable and religious agencies?

Mr. ROCKEFELLER, Jr. As to that I couldn't say.

Chairman WALSH. Should any restrictions be placed upon allowances for expenses; for example, only the expenses of the officer or the officer and his immediate family?

Mr. ROCKEFELLER, Jr. I should not assume it would be necessary.

Chairman WALSH. Should restrictions upon the payment of principal be made part of the incorporating act; as for example, that advance notice be given—

Mr. ROCKEFELLER, Jr. (interrupting). Restrictions on payment of principal, Mr. Chairman?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. I don't understand.

Chairman WALSH. Should any restrictions be made upon the expenditure of principal, and should that be made a part of the incorporating act; as for

instance, advance notice of such expenditure to the State officers, the public, or at least to members of the board?

Mr. ROCKEFELLER, Jr. I should think that was a matter which could properly be left to each board in its own by-laws. Mr. Chairman, I want to make clear the fact that in none of these foundations with which I am connected are any of the members of the boards compensated in any way. Of course, Mr. Chairman, I don't need to make clear the fact that the secretary of any such board would naturally be paid. I mean the members of the board other than the secretary. Of course, the treasurer—

Chairman WALSH (interrupting). The provision of the act seems to be that no officer, member, or employee of this corporation shall receive or be lawfully entitled to receive any pecuniary profits from the operation thereof except reasonable compensation for services in effecting one or more of its purposes or as a proper beneficiary of its strictly charitable purposes.

Mr. ROCKEFELLER, Jr. I had forgotten that that was in the act.

Chairman WALSH. Do you believe that Congress, or the legislature, should prescribe qualifications for trustees of such foundations as the Rockefeller fund?

Mr. ROCKEFELLER, Jr. I should not think it either necessary or desirable, Mr. Chairman.

Chairman WALSH. As to professions, as to residence, as to previous experience, as to employment within the foundation itself at the time of election?

Mr. ROCKEFELLER, Jr. I should not think it necessary.

Chairman WALSH. Should the incorporating act provide for the automatic withdrawal of trustees who are unable to attend, or who do not attend half, two-thirds, or four-fifths of the meetings of the board, or by regular committees of the board?

Mr. ROCKEFELLER, Jr. I should not think it necessary.

Chairman WALSH. Do you see any danger in interlocking directorates in these boards?

Mr. ROCKEFELLER, Jr. I should think on the other hand there might be a great strength in that.

Chairman WALSH. Is it on boards of foundations that are entirely independent, one of another? I am asking you now on the subject of interlocking directorates. First, do you see any danger in directors interlocking on the boards of foundations which are entirely independent of each other?

Mr. ROCKEFELLER, Jr. I do not. I should think if a man was a desirable member of one board, another board that had generally the same kind of questions to deal with, would be equally glad to get him, if they could.

Chairman WALSH. Then it follows that you see no objection to the acting of the same individual on several foundations that might be established by the same donor?

Mr. ROCKEFELLER, Jr. No inherent objection.

Chairman WALSH. Is the question of the qualification and interlocking directorate a proper subject for charter, constitution, or by-law of such foundation?

Mr. ROCKEFELLER, Jr. I should not think it necessary to be treated in the charter.

Chairman WALSH. Should benevolent corporations be required to report both fiscal and service operation to officers of the States, or National Government, which incorporate them as required by such State or National officer?

Mr. ROCKEFELLER, Jr. Will you read that again, please?

Chairman WALSH. Should benevolent corporations be required to report both fiscal and service operations to officers of the States, or of the National Government, which incorporate them, as required by such State or National officer?

Mr. ROCKEFELLER, Jr. I think it is time now that corporations that have a Federal charter are required to report on fiscal matters; I think not on others. As regards corporations formed under State law, I think no report is required; but I think it is desirable that reports should be made to the public or to any specific officer that may be the best person to receive such report.

Chairman WALSH. Do those reports include both fiscal and service activities of the foundation?

Mr. ROCKEFELLER, Jr. They might well do that, Mr. Chairman. I do not suppose that the service activities of the foundation would be of great interest to the average State official.

Chairman WALSH. If you think that such reports are desirable, do you believe that they ought to be required by law?

Mr. ROCKEFELLER, Jr. I should not think it would be necessary to require them.

Chairman WALSH. Then, you do not think they should be required by law?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. On the ground of lack of necessity?

Mr. ROCKEFELLER, Jr. I do not think they should be required.

Chairman WALSH. How should reports of these foundations be made then, if not required by law?

Mr. ROCKEFELLER, Jr. You mean through what medium?

Chairman WALSH. Yes. First, to whom should the report be made?

Mr. ROCKEFELLER, Jr. To the board of directors.

Chairman WALSH. And, then, how should publicity be given to it?

Mr. ROCKEFELLER, Jr. I should think through the public prints and in any other manner that might bring about as wide publicity as possible, through the distribution of reports to as large a list of people who might be interested as might be made up; and publicity further sought in whatever ways might be suggested. I could not suggest them, though.

Chairman WALSH. How would you provide a check upon the accuracy of such reports by the public?

Mr. ROCKEFELLER, Jr. I should not assume that such a check was necessary. Mr. Chairman.

Chairman WALSH. Should the report contain the total number and character of applications received but not acted upon favorably?

Mr. ROCKEFELLER, Jr. I should think it would be quite unwise to have a report include such data, because I think it would work an injustice to organizations which had made appeals and which might have been declined for no lack of appreciation of the organization, or no lack of belief in the value of its work, but simply because, as must necessarily often happen, such organizations from time to time might not be included in the then purposes of the board.

Chairman WALSH. My question was, should the report include the total number and character of applications received but not acted upon favorably?

Mr. ROCKEFELLER, Jr. I should see no value in so requiring.

Chairman WALSH. Should work done by the foundation be reported upon as to scope, cost, and results?

Mr. ROCKEFELLER, Jr. Reported upon to whom, Mr. Chairman?

Chairman WALSH. To the public.

Mr. ROCKEFELLER, Jr. Well, I should assume that the annual report would cover generally such matters.

Chairman WALSH. Should that report cover the scope, character, and result of the work done by the foundation during the period covered by it?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. The different classes of work, or just the total?

Mr. ROCKEFELLER, Jr. Well, it would be almost impossible to report on the work without saying what the different classes were, Mr. Chairman. I should think it would be desirable to make the reports just as full as, in the judgment of the directors, would be of interest to the public.

Chairman WALSH. Should power be lodged in any public body representing the people to remove, on charges, trustees of foundations who have either misused their power or who have failed to discharge their duties efficiently?

Mr. ROCKEFELLER, Jr. The necessity of such power I have not considered.

Chairman WALSH. Do you believe now that such power should be lodged in some body representing the people?

Mr. ROCKEFELLER, Jr. I do not. I think a better way would be, as was previously stated, to lodge veto power in the selection of officers.

Chairman WALSH. Should the records of foundations incorporated by legislature or by Congress be open to public inspection as are the records of public offices?

Mr. ROCKEFELLER, Jr. I think there might be no harm, and again there might be harm in exposing, as I have just stated, applications which have been made and declined for good reasons, the publication of which could serve no useful purpose.

Chairman WALSH. Could you suggest any method of public inspection more limited than the one I have first suggested which would be desirable?

Mr. ROCKEFELLER, Jr. I have not thought that any method of public inspection was desirable.

Chairman WALSH. Should such incorporating act require that when foundations materially modify their method of work, basis of allowances, fields, etc.,

special notice of the fact be given in advance of final action, both to public officers and to the public?

Mr. ROCKEFELLER, Jr. I should think it entirely unnecessary.

Chairman WALSH. What means are now available to the public for ascertaining the work being done by large private foundations, such as the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. What means are available?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. Well, the Rockefeller Foundation has made numerous public statements from time to time with reference to various phases of its work which it thought would be currently of interest to the public, and the foundation is proposing, as I have stated, to publish an annual report and to give to that report the fullest publicity possible.

Chairman WALSH. Please state when the first public statement was made by the Rockefeller Foundation as to the work being done by it?

Mr. ROCKEFELLER, Jr. I can not make that offhand, Mr. Chairman. There has been no complete public statement made. The first complete public statement will be the annual report; but, as I have stated, there have been public statements made from time to time regarding certain features and special features of work, as they have developed.

Chairman WALSH. Can you recall how many reports have been given publicly as to the work being done by the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. I can not.

Chairman WALSH. You say you can not tell offhand. Will you please ascertain and give to the commission the date of the first report as to the work being done by the foundation and the number of such reports which have been given publicly?

Mr. ROCKEFELLER, Jr. I think, Mr. Chairman, that all the publicity which has been given to the foundation is indicated in an exhibit in answer to one of the questions in the questionnaire which the commission has had.

Chairman WALSH. What page, please? Then the first statement issued was issued by Mr. Jerome D. Greene, secretary of the Rockefeller Foundation, on October 1, 1914; is that correct?

Mr. ROCKEFELLER, Jr. Well, if this includes all, it is; I am not sure whether it does or not. I have forgotten what the question was which called forth this exhibit, Mr. Chairman.

Chairman WALSH. Then you can not say whether or not the answer to the questions propounded—the printed answer to the questions propounded by this commission give all the reports given out to the press as to the work of your foundation?

Mr. ROCKEFELLER, Jr. I can not say offhand; but if you will allow me to turn to this question, I can probably tell you now.

Chairman WALSH. Question 26, on page 49:

"Please furnish copies of any bulletins, statements, or notices, issued to the press by the foundation.

"Answer. A complete list of statements issued to the press is furnished herewith. (See Exhibit D, p. 73.)"

Mr. ROCKEFELLER, Jr. Yes, sir; I should think that was accurate, Mr. Chairman.

Chairman WALSH. So the first publicity given as to the work of the Rockefeller Foundation was the statement issued by Jerome D. Greene, October 1, 1914, and is entitled "The Rockefeller Foundation inaugurates a far-reaching investigation of industrial relations, and has appointed as director Hon. W. L. Mackenzie King, former minister of labor in Canada, author of industrial disputes act, and experienced mediator in labor disputes."

Mr. ROCKEFELLER, Jr. No, Mr. Chairman, I think there have been statements made of very brief character from time to time, and in connection with different gifts made by the foundation. For instance, I have in mind a pledge to Wellesley College toward its building fund. I think a statement was made at the time that pledge was made, and my impression is that other statements regarding specific matters which have been dealt with have been made. I think a statement was made at the time of the purchase of a number of thousand of acres of land for a bird refuge in the Southern States. I think a public statement was made at that time.

Chairman WALSH. Who answered this question propounded by the commission, question 26, on page 49:



"Please furnish copies of any bulletin, statements, or notices issued to the press by the foundation, and then answered a complete list of the statements issued to the press is furnished herewith. (See Exhibit D, p. 78.)"

Who wrote that?

Mr. ROCKEFELLER, Jr. Well, I had to do with the writing of all these answers. I suppose that the secretary is the one that provided that matter, Mr. Chairman.

Chairman WALSH. Who is that?

Mr. ROCKEFELLER, Jr. Mr. Jerome D. Greene.

Chairman WALSH. I will ask you if the next item is not on page 75, headed: "Released for publication in morning papers of Sunday, October 4," and entitled "For the preservation of bird life of the North American Continent, the Rockefeller Foundation has purchased 85,000 acres of land on the Gulf of Mexico and has placed it under the protection of the Louisiana Conservation Commission."

Mr. ROCKEFELLER, Jr. It may be that was the first announcement of that purchase; but my recollection is, Mr. Chairman, that an announcement was made some time before. Our purpose, of course, has been to give all of the statements as requested—all of the printed statements—and it may be this contains all. My impression is that earlier statements had been made. Mr. Greene, the secretary, could refresh my memory on that subject, and it will be easy to ascertain.

Chairman WALSH. It was your purpose, of course, to furnish an answer to the question which would show all the publicity which was given to the work of the Rockefeller Foundation and the date thereof as called for.

Mr. ROCKEFELLER, Jr. Certainly.

Chairman WALSH. Now, then, I note that the next item of publicity is dated October 31, 1914, on page 77, and the next on page 79, dated November 8, 1914. Is that correct?

Mr. ROCKEFELLER, Jr. So stated here, Mr. Chairman.

Chairman WALSH. And the next item of publicity on page 82, December 7, 1914, and the next on page 84, released for publication Tuesday, December 8.

Mr. ROCKEFELLER, Jr. Mr. Chairman, if this statement is not accurate and correct, I should be glad to have the opportunity of making it so.

Chairman WALSH. You may do so.

Mr. ROCKEFELLER, Jr. Of course, it was my purpose that it should be, and I am assuming that it is; but my recollection was that statements had been made earlier.

Chairman WALSH. Yes. Well, you have stated that, and we will be glad to have any of the others if you wish to correct that; and, of course, I am not assuming that you did not desire to make answers just as requested.

Mr. ROCKEFELLER, Jr. I think you have seen, Mr. Chairman, from the fullness with which these answers have been made, which required many days in their preparation, that the information has been given to this commission in the fullest and frankest way, answering every detail which the commission has sought.

Chairman WALSH. I will now call your attention to page 84 and resume the question, if the next publicity, which is headed "Released for publication Tuesday, December 8." That, I say, appears on page 84. Then, on page 85, there is a statement issued showing that it was released January 1, 1915.

Mr. ROCKEFELLER, Jr. It so appears.

Chairman WALSH. So that the publications as to the work of the Rockefeller Foundation appear to have been made between the dates of October 1, 1914, and January 1, 1915, so far as this answer is concerned, and you say that you will look up any publications prior to that time and submit them to the commission?

Mr. ROCKEFELLER, Jr. I will be glad to do so.

Chairman WALSH. But for the present the answer to the question there shows that they have all been made since October 1, 1914?

Mr. ROCKEFELLER, Jr. Yes. If that proves to be the case, Mr. Chairman, as it doubtless will, it simply is an indication of the facts which I have already stated, that while the foundation would have expected, particularly in its first year of work when it was feeling its way along, to have made its first report at the time of the annual meeting, in view of the general interest in foundations which was created very naturally when the commission determined to look into such matters, it seemed to the foundation that it was highly desirable that full publicity should be given, without waiting for the annual report, of everything that was of interest that had been done up to that date.

Chairman WALSH. Did it not occur to the trustees to give publicity to any of this work prior to the asking of the questions?

Mr. ROCKEFELLER, Jr. Yes, Mr. Chairman; the several publications with reference to the Belgian relief, of course, had no relation whatever to the inquiry of this commission.

Chairman WALSH. Should facts in regard to conditional gifts to these foundations be stated to the public?

Mr. ROCKEFELLER, Jr. Well, in so far as such statement could be of public service to the recipient of the gift, I should say yes.

Chairman WALSH. Should the expenditure of additional gifts be separately accounted for to the public?

Mr. ROCKEFELLER, Jr. The expenditure of additional gifts?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. Be separately accounted for?

Chairman WALSH. Yes; I am asking now if you believe it to be desirable to give publicity to the activities of the foundation. Now, then, if any gifts are conditional, should the condition be stated to the public?

Mr. ROCKEFELLER, Jr. I should think that generally it would be wiser for the foundation to allow the recipient of the gift to state the conditions, if at all, in the way that would be most helpful to the object had in mind by the recipient.

Chairman WALSH. Is there apt to be confusion of work done by the foundation on its own initiative which is not separately reported from work done in its name by the initiative of a conditioning donor?

Mr. ROCKEFELLER, Jr. I did not grasp the question.

Chairman WALSH. Is not a public statement desirable as to work being done by the foundation on its own initiative and work that is being done by the donor who has given that foundation a gift with certain conditions attached thereto?

Mr. ROCKEFELLER, Jr. I should think it highly desirable that both gifts should be stated in the annual report, and those made public—both kinds of gifts.

Chairman WALSH. From the standpoint of inherent power to influence independent thought and action, do you see any material difference between a large foundation that gives away money and a foundation that itself spends its income or capital through investigations, business enterprises, and the like?

Mr. ROCKEFELLER, Jr. Will you kindly read the first part of the question again?

Chairman WALSH. From the standpoint of inherent power to influence independent thought and action, do you see any material difference between a large foundation that gives away money and a foundation that itself spends its income or capital through investigations, business enterprises, and the like?

Mr. ROCKEFELLER, Jr. I don't know what kind of a foundation would spend its funds in business enterprises, Mr. Chairman. I thought we were dealing with philanthropic foundations.

Chairman WALSH. Could a foundation with the unrestricted power that the Rockefeller Foundation has conclude to engage in business as an agent or means of the betterment of mankind?

Mr. ROCKEFELLER, Jr. I think it would be entirely contrary to its charter powers.

Chairman WALSH. Do you feel that the public welfare requires restrictions in the case of a giving corporation that are not intended with respect to an investigating corporation or vice versa?

Mr. ROCKEFELLER, Jr. I am sorry; I will have to ask you to read the question again.

Chairman WALSH. Should there be any difference in a corporation that merely undertakes to give and a corporation that as well undertakes to investigate, we will say, social conditions?

Mr. ROCKEFELLER, Jr. Difference in what respect, Mr. Chairman?

Chairman WALSH. The public restriction.

Mr. ROCKEFELLER, Jr. I see no reason why there should be.

Chairman WALSH. No public restriction?

Mr. ROCKEFELLER, Jr. You ask if there should be any definite public restriction? I say "no."

Chairman WALSH. If a foundation had for its trustees gentlemen that were interested in large basic industries, do you think that any public restriction should be placed upon the activities of such foundations, so far as making

investments was concerned, which might affect the financial welfare of the private corporations operating the industry?

Mr. ROCKEFELLER, Jr. I think the whole matter must be covered by a proper selection of the directors. In any such foundations whose directors have been carefully selected it seems to me that the interests of the public are best served when full discretion is left with directors in such matters.

Chairman WALSH. But does a foundation controlling a hundred million of dollars exert an influence in the financial world?

Mr. ROCKEFELLER, Jr. Simply as a large investor, Mr. Chairman.

Chairman WALSH. Is it considered a desirable connection for financial concerns?

Mr. ROCKEFELLER, Jr. You mean to have the opportunity of suggesting investments?

Chairman WALSH. I should think it would be. Might it be used to influence the standing of financial institutions and the prices of stocks?

Mr. ROCKEFELLER, Jr. I don't see how.

Chairman WALSH. Is there any inherent danger of that sort that should be guarded against by a foundation?

Mr. ROCKEFELLER, Jr. I do not see what the danger is, if any.

Chairman WALSH. Is a foundation with \$100,000,000 or more more dangerous than a foundation with \$1,000,000?

Mr. ROCKEFELLER, Jr. I think it is less dangerous.

Chairman WALSH. Is a foundation of \$200,000,000 or \$500,000,000 more powerful than one with \$100,000,000?

Mr. ROCKEFELLER, Jr. You are dealing with figures so much beyond my ability to imagine, Mr. Chairman, that I could not express an opinion. I think generally that a large fund, as I have stated before, is more apt to have centered on it the thought and attention of the day than a small one, probably. Now, I should think that a fund of fifty or a hundred millions would be sufficiently large to benefit by that emphasis as contrasted with a fund of one or five or ten millions, and I should think that there would not be anything particularly gained by increasing the fund beyond that amount for the sake of increasing the public attention that will be paid to it.

Chairman WALSH. What safeguards, if any, should be provided for in acts of incorporation of large foundations?

Mr. ROCKEFELLER, Jr. That is a very general question, Mr. Walsh.

Chairman WALSH. Well, we will say in the first place as to financial investments, should there be any?

Mr. ROCKEFELLER, Jr. I think it unwise.

Chairman WALSH. Should or should not the act incorporating it specifically provide at least the general lines upon which such foundation should proceed in the work of the betterment of mankind?

Mr. ROCKEFELLER, Jr. I should not think it necessary.

Mr. WALSH. Do you believe, then, such foundations should have unlimited power under the general expression of its work being for the betterment of mankind?

Mr. ROCKEFELLER, Jr. With the constant and always near at hand power to amend and to rescind its charter which the legislature granting the charter has, I think the other matters are entirely safe in the hands of the directors.

Chairman WALSH. Should a large foundation retain supervisory relation over the different kinds of work which is aided by its gifts; namely, if \$100,000 is given a college or to an investigating agency, should the foundation which gives require evidence as to how its gift is being expended, and with what result?

Mr. ROCKEFELLER, Jr. I think the two instances named are hardly parallel. Mr. Chairman.

Chairman WALSH. You may separate them and answer the question first as to each one, if there is a different answer.

Mr. ROCKEFELLER, Jr. I believe it would be unwise for a foundation to make a contribution for an educational institution which was not made out-and-out.

Chairman WALSH. Why?

Mr. ROCKEFELLER, Jr. Which involve the foundation continuing or having any power of consecutively molding the policy of the educational institution. I think that contributions to educational institutions, generally speaking, should be made without retaining any sense of control on the part of the giver. As respects the making—

Chairman WALSH. First say why that should be, Mr. Rockefeller. What is your reason for that?

Mr. ROCKEFELLER, Jr. Because I think every educational institution—I am speaking now particularly of the highest type, namely, colleges and universities—should be entirely free to express itself as its respective board of trustees and faculties may from time to time think to be in the interest of the institution.

Chairman WALSH. Any other reason?

Mr. ROCKEFELLER, Jr. That is the chief reason, I think; an important reason. I do not think at the moment of any other.

Chairman WALSH. Then I will ask you the separate question: Should a large foundation retain supervisory relation—I will ask you the direct question first: In an educational institution do you believe that the large foundations undertake to retain a supervisory control over their benefactions or undertake to require evidence as to how their gift is to be expended, and what the results would be—that the foundation giving the money would exercise undue influence over the education of the children or the individual in the school?

Mr. ROCKEFELLER, Jr. I should think that case would bring in another element, Mr. Chairman.

Chairman WALSH. Bring it in then.

Mr. ROCKEFELLER, Jr. I have expressed my view with reference to contributions to universities and colleges. I would say that in the development of a school system of primary and the other grades of schools there might be instances where it would be desirable for foundations to help to cooperate in developing a system. And if such instances arose I should think that the foundation should be free to cooperate along those lines. Whereas, with the university or college which had been established and had a fixed policy, well known and understood, I should think any control would be unwise.

Chairman WALSH. Well, for what reason?

Mr. ROCKEFELLER, Jr. The former or the latter?

Chairman WALSH. Both. Begin with the first and give that and then give the second. In other words, do you believe in the first instance, that the education of the individual in the school first mentioned might be influenced by the views of the man that gave the money to the foundation?

Mr. ROCKEFELLER, Jr. If you are referring to the Rockefeller Foundation or General Education Board, I may say unqualifiedly that the views of the man who gave the money have never reached to the recipient of the gift, except in so far as in the case of the Rockefeller Foundation the man who gave the money is a member of the board, and is looked to for his expression of opinion whenever he is willing to give it, the same as any other member of the board. I have expressed my view as to the reason why it seems to me unwise for the foundation to make a gift to a college or university, and maintain a subsequent hold on the institution through that gift, because I think that institutions of that character which are naturally directed and maintained by the leading men of the community or of the country are much better managed by those who deal with the specific and current requirements of that institution; but if on the other hand an educational foundation or a foundation capable of entering into educational work was to go into an unsettled or undeveloped section of the country where public schools have not been developed, I can conceive that a service might be rendered in helping develop a system of public schools.

Chairman WALSH. Now, I wish you would get back to my question, if you please, Mr. Rockefeller. In the instance of the first schools that you have mentioned, do you believe that the extension of money aid to those schools, followed by a supervision as to how the gift was expended and the results, leaving the Rockefeller Foundation out of the question, might result in the persons being educated taking the viewpoint, consciously or unconsciously, of the man that gave the money or of the foundation that gave the money?

Mr. ROCKEFELLER, Jr. It would be, of course, appropriate and necessary that the foundation making the contribution to any college or university should have the assurances that the gift was spent in accordance with the purpose for which it was given. I think such assurance is quite proper and desirable. After the gift had been made and the assurance had been received that it had been or was being spent for the purposes for which it was intended, I should think that the foundation would be unwise if it desired to continue, because of that gift, to have any control over that institution.

Chairman WALSH. I will now ask Mr. Langdon to read the question, please, which I asked, and I would be obliged if you will give a direct answer to it.

Mr. ROCKEFELLER, Jr. I have tried to give it, Mr. Chairman.

Chairman WALSH. Perhaps I may not be correct, but I do not accept it as a direct answer.

(Question read as follows: "Now, I wish you would get back to my question, if you please, Mr. Rockefeller. In the instance of the first schools that you have mentioned, do you believe that the extension of money aid to those schools by a supervision as to how the gift was expended and the results, leaving the Rockefeller Foundation out of the question, might result in the persons being educated taking the viewpoint, consciously or unconsciously, of the man that gave the money or of the foundation that gave the money?")

Mr. ROCKEFELLER, Jr. You have asked two questions, one relates to a gift to educational institutions—

Chairman WALSH. If it requires two answers I may have to ask two questions. But we will leave that to be answered in the morning.

We will stand adjourned until to-morrow morning, at 10 o'clock. Please resume the stand at that time, Mr. Rockefeller.

(At 4.30 o'clock p. m. Tuesday, January 26, 1915, an adjournment was taken until to-morrow, Wednesday, January 27, 1915, at 10 o'clock a. m. at the same place.)

NEW YORK CITY, January 27, 1915—10 a. m.

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Harriman, Ballard, Weinstock, Garretson, and Commons.

Chairman WALSH. We will proceed with the hearing now.

Mr. Rockefeller, will you please resume the stand.

#### TESTIMONY OF MR. JOHN D. ROCKEFELLER, JR.—Continued.

Chairman WALSH. When you left the stand last evening, Mr. Rockefeller, I asked you a question and you have not yet been afforded an opportunity to answer. I will read the question to you:

"In the instance of the first schools which you have mentioned, do you believe that the extension of money aid to the schools by a supervision as to how the gift was expended and the results, leaving the Rockefeller Foundation out of the question for the time being, might result in the persons being educated taking the viewpoint, consciously or unconsciously, of the man that gave the money or the foundation that gave the money?"

Your answer was that it required two answers, one relating to a gift to educational institutions, so I will ask you these questions and will ask you to give us the answer as briefly as possible.

Mr. ROCKEFELLER, Jr. I had understood, Mr. Chairman, that your question originally related to colleges and also to primary education, and that is why I said it needed to be divided.

Chairman WALSH. I wish you would define those yourself, if possible. I would prefer not to go right to the question, but just answer that question as applying to both.

Mr. ROCKEFELLER, Jr. Mr. Chairman, I can not give a single answer that will convey my thought with reference to the two, because my view is different with reference to each. In regard to the higher form of education, my answer would be I think there is a possible danger if the giver retains any kind of a control; I think it is unwise.

Chairman WALSH. Now as to the next, the other form?

Mr. ROCKEFELLER, Jr. As to the lower forms of education, I see many instances which might arise in helping to develop an educational system where it would be highly desirable that any educational board that had experts so familiar with such matters should be in touch for some period in helping to develop such a school system. I think the danger there would be much more remote.

Chairman WALSH. Refer, please, to page 19, of the answers to the questionnaire submitted by the commission, Mr. Rockefeller.

Mr. ROCKEFELLER, Jr. Yes; Mr. Chairman.

Chairman WALSH. In schedule under A, "Charter of the Rockefeller Foundation," I will read you preliminary to a few questions which I have to ask about that clause of the law which states the objects and powers of the

foundation: "John D. Rockefeller, John D. Rockefeller, Jr., Frederick T. Gates, Harry Pratt Judson, Simon Flexner, Starr J. Murphy, Jerome D. Greene, Wickliffe Rose, and Charles O. Heydt, together with such persons as they may associate with themselves, and their successors, are hereby constituted a body corporate by the name of the Rockefeller Foundation, for the purpose of receiving and maintaining a fund or funds and applying the income and principal thereof to promote the well-being of mankind throughout the world. It shall be within the purposes of said corporation to use as a means to that end research, publication, the establishment and maintenance of charitable, benevolent, religious, missionary, and public educational activities, agencies, and institutions, and the aid of any such activities, agencies, and institutions already established and any other means and agencies which from time to time shall seem expedient to its members or trustees."

Now, the charter was obtained from the State of New York upon what date, please, if you have it in mind?

Mr. ROCKEFELLER, Jr. This says just above there, Mr. Chairman, "became a law May 14, 1913, and with the approval of the governor."

Chairman WALSH. Now, prior to that time, had an application been made by the gentlemen desiring to institute this foundation for a Federal charter to the Congress of the United States?

Mr. ROCKEFELLER, Jr. There had.

Chairman WALSH. And please state, if you have in mind, when that application was made to Congress.

Mr. ROCKEFELLER, Jr. I think I have the data right here, Mr. Chairman. On March 2, 1910, a bill—

Chairman WALSH (interrupting). March 2, 1910?

Mr. ROCKEFELLER, Jr. (continuing). A bill was introduced in the Senate.

Chairman WALSH. Who had the bill introduced?

Mr. ROCKEFELLER, Jr. Do you mean who took the matter up from our office?

Chairman WALSH. Yes; first.

Mr. ROCKEFELLER, Jr. I think Mr. Murphy, as one of our associates. My impression is that he took it up.

Chairman WALSH. Who drafted the bill in its original form?

Mr. ROCKEFELLER, Jr. I think Mr. Murphy drafted the bill, following, as he stated in his testimony before the Senate committee, following almost the exact phraseology of the bill granted by Congress previously to the General Education Board.

Chairman WALSH. Now, after that was introduced in Congress, was a hearing had before the House committee on the bill?

Mr. ROCKEFELLER, Jr. Before the Senate committee?

Chairman WALSH. Was there any before the House committee, first?

Mr. ROCKEFELLER, Jr. Well, I don't recall any such, Mr. Chairman.

Chairman WALSH. Very good. Now, the bill passed the House of Representatives, did it not?

Mr. ROCKEFELLER, Jr. That bill, I think, did not, Mr. Chairman.

Chairman WALSH. Well, I know that bill—but a bill chartering the Rockefeller Foundation did pass the House of Representatives, did it not?

Mr. ROCKEFELLER, Jr. May I read you just half a page there covering that bill and the other bill?

Chairman WALSH. If you will allow me to put this to you, logically, Mr. Rockefeller, I think it will save a great deal of time, and I am going to do that. Did the lower House, the House of Representatives, pass a bill chartering the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. It did.

Chairman WALSH. Now, then, I will ask you to turn to page 97 of the answers to the questionnaire submitted by this commission, please, and ask you have you that page?

Mr. ROCKEFELLER, Jr. I have, sir.

Chairman WALSH. If before that bill was passed the following amendments were not made to it—tell me please:

"Section 3: Congress specifically reserves the right to impose such limitations upon the objects of the corporation as it may deem the public interest demands.

"Section 5: The total amount of property held at any time, whether absolutely or in trust, is limited to \$100,000,000.

"Section 6: The income of the property is not to be accumulated or added to the principal, but is to be currently applied to the objects of the corporation.

"Section 7: The corporation is empowered to distribute the principal of any property 50 years after its receipt; it is required to make such distribution after 100 years, if Congress shall so direct.

"Section 9: The election of new members of the corporation is subject to disapproval within 60 days by the four Federal officers and five university presidents specified in the bill."

And on the following page, 98, amendments made by the House Committee on the Judiciary:

"Section 1: The following persons are added to the list of incorporators: Harry Pratt Judson, Wickliffe Rose, Simon Flexner, and Edwin A. Alderman, making nine in all.

"Section 3, on page 2, line 4, after the word 'promotion,' are inserted the words 'by eleemosynary and philanthropic means.'

"Section 8: The minimum number of members of the corporation is increased from five to nine. In the event of the number of members falling below nine the corporation is forbidden to make any gifts until the vacancies are filled."

Those amendments were added, I believe, in the House of Representatives?

Mr. ROCKEFELLER, Jr. They were.

Chairman WALSH. And did the bill then go to the Senate?

Mr. ROCKEFELLER, Jr. It did.

Chairman WALSH. Did you appear before the Senate yourself, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. I did not.

Chairman WALSH. Did Mr. Murphy appear before the Senate?

Mr. ROCKEFELLER, Jr. I think not.

Chairman WALSH. Did Mr. Jerome D. Greene appear before the Senate?

Mr. ROCKEFELLER, Jr. Whether he appeared before the Senate committee or not, I do not know. He appeared before some representatives.

Chairman WALSH. After the bill was amended, as I read the amendments to you, a unanimous report favorable to the passage of the bill was made by the Judiciary Committee of the House of Representatives, was it not? The bill was passed and sent to the Senate?

Mr. ROCKEFELLER, Jr. Yes; Mr. Chairman.

Chairman WALSH. And in the Senate the bill was referred to the Judiciary Committee?

Mr. ROCKEFELLER, Jr. I have no record of that. Very likely—doubtless that is true.

Chairman WALSH. I call your attention to page 102 of the answers to the questions there.

Mr. ROCKEFELLER, Jr. I have it.

Chairman WALSH. When the bill reached the Senate Judiciary Committee I will ask you if Mr. Jerome D. Greene, on behalf of the other gentlemen—himself and the other gentlemen promoting the bill—did not send the following communication to the Senate:

"The bill to incorporate the Rockefeller Foundation, after a unanimous report by the Judiciary Committee of the House, was passed on January 20 by a vote of 152 to 65 and sent to the Senate.

"This bill was originally introduced by Senator Gallinger in 1910 and favorably reported by the Committee on the District of Columbia. At this point it received wide discussion in the press and some criticism, but the latter proceeded largely from sources by no means hostile to the general purposes of the proposed foundation, and directed toward the improvement of the bill in certain particulars. With the cordial approval of the incorporators the bill was accordingly amended and reintroduced by Senator Gallinger as Senate bill 2675, which is substantially the same as House bill 21532, the significant changes being the insertion of the words, 'By eleemosynary and philanthropic means,' as an explicit qualification of all the activities of the foundation; and the increase of the minimum number of members of the corporation from five to nine, together with a provision that no gifts could be legally made by the foundation so long as the members should remain by any chance less than nine. With reference to the criticisms and suggestions that have been made before the public the following features of the bill in its present form should be noted:

"(1) The element of perpetuity has been removed, provision having been made for the dissolution of the corporation and the distribution of its funds, either voluntarily or at the direction of Congress.

"(2) The amount of the endowment has been limited and the income is to be spent, not added to the principal.

"(3) The trusts are not to be a close corporation, the election of new members being subject to disapproval by certain specified representatives of the public interest.

"(4) Congress has complete power to impose such limitations upon the objects of the corporation as the public interest may demand; and all gifts must be accepted subject to this provision.

"(5) No exemption from State taxation is or constitutionally could be, conferred by the bill, and no exemption whatever is conferred with respect to real estate.

"(6) A charter is sought through Congress solely because the gift is to the people of the United States, and is to be controlled by them rather than in the interest, however beneficent, of any one section.

"The accompanying circular gives the history of the measure up to the time of its latest introduction into the House and also describes in some detail the changes referred to above and the considerations on which they were based. I trust that you will recognize in these features of the present bill an ample safeguard against any dangers that may have been attributed to the original plan, and that by promoting the early passage of the bill you will enable the incorporators to enter upon the important work along the lines of education, research, and public health, to which we are pledged.

"Respectfully, yours,

"JEROME D. GREENE,

*"Trustee for the Rockefeller Institute for Medical Research  
and member of the General Education Boards."*

That circular, I believe, was sent to the Members of the United States Senate, that circular letter. Is that correct?

Mr. ROCKEFELLER, Jr. Yes, Mr. Chairman; it is so stated.

Chairman WALSH. Please, now, refer to page 101 of the answers to the questionnaire: The bill, when it reached the amended stage in the Senate, provided, did it not—

"That the successors to the incorporators named herein and the additional members of the corporation and their successors shall be elected by the members of the corporation for the time being, but before such election shall become effective written notice thereof shall be mailed by said corporation to each of the following-named persons at his official post-office address, viz: The President of the United States, the Chief Justice of the Supreme Court, the President of the Senate, the Speaker of the House of Representatives, and the presidents of the following institutions, viz: Harvard University, Cambridge, Mass.; Yale University, New Haven, Conn.; Columbia University, New York City, N. Y.; Johns Hopkins University, Baltimore, Md.; and the University of Chicago, Chicago, Ill.

"If such election shall be disapproved by a majority of the persons above named, it shall be void; but it shall become effective if and when it shall be approved by such majority, or at the expiration of 60 days from the mailing of such notices, if it shall not have been disapproved by such majority."

Now, that provision had been added to the bill?

Mr. ROCKEFELLER, Jr. Yes, Mr. Chairman.

Chairman WALSH. Now, did that bill in that form pass the Senate?

Mr. ROCKEFELLER, Jr. It did not.

Chairman WALSH. Was it ever submitted to the vote of the Senate?

Mr. ROCKEFELLER, Jr. It was not acted upon by the Senate.

Chairman WALSH. The Senate adjourned before the bill was acted upon, I believe; is that correct?

Mr. ROCKEFELLER, Jr. Yes; Mr. Chairman.

Chairman WALSH. The charter, which you are now operating under, was obtained from the State of New York?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And the bill that passed was a senate bill and introduced by Senator Foley, of New York?

Mr. ROCKEFELLER, Jr. That I do not recall. Have you the facts? I presume that is correct.

Chairman WALSH. Do you know who drew the bill that was submitted by Senator Foley? We will assume that he introduced it; the record so shows.

Mr. ROCKEFELLER, Jr. I think it was practically the same bill that was originally introduced in the Senate in 1910.



Chairman WALSH. But without these amendments which I have read to you that were in the Peters bill?

Mr. ROCKEFELLER, Jr. I think so.

Chairman WALSH. The original bill without these restrictions or so-called safeguards?

Mr. ROCKEFELLER, Jr. Without the amendments.

Chairman WALSH. Who asked Senator Foley to introduce the bill, if you know, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. I presume Mr. Murphy did; that is my recollection.

Chairman WALSH. Mr. Starr J. Murphy?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Was the request to Senator Foley in writing or verbal?

Mr. ROCKEFELLER, Jr. That I do not recall; I do not know that I ever knew.

Chairman WALSH. Will you ascertain whether or not there was any request from Mr. Starr J. Murphy to Senator Foley to introduce this bill; and if there was such, will you kindly produce it to the commission?

Mr. ROCKEFELLER, Jr. Mr. Greene, who is here, says to me that he asked Senator Foley, not Mr. Murphy—Mr. Greene.

Chairman WALSH. Then I will leave that subject, if you have no knowledge of it, until Mr. Greene takes the witness stand. You do not know Senator Foley?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. You do not know what was said to him or anything that was written to him about this bill, of your own knowledge?

Mr. ROCKEFELLER, Jr. I might have known at the time, but I do not recall; it was simply a matter of routine business.

Chairman WALSH. Had the Congress of the United States adjourned prior to the time that Senator Foley introduced this bill in the New York Legislature?

Mr. ROCKEFELLER, Jr. Yes, Mr. Chairman.

Chairman WALSH. When was it decided to seek incorporation in New York State?

Mr. ROCKEFELLER, Jr. As soon as Congress had adjourned and had not acted upon the measure.

Chairman WALSH. Was there any particular reason why Senator Foley was secured to introduce the bill—why it was introduced through Senator Foley—that you know?

Mr. ROCKEFELLER, Jr. Not that I know of, Mr. Chairman.

Chairman WALSH. Was any written explanation of Mr. Rockefeller's purpose submitted with the proposed bill to the New York Legislature?

Mr. ROCKEFELLER, Jr. That I do not know.

Chairman WALSH. Was the publicity material used in 1912 and 1913, while the bill was pending in Congress, submitted to the New York Legislature?

Mr. ROCKEFELLER, Jr. As to any of that detail I could not tell you.

Chairman WALSH. Was the correspondence which Mr. Jerome D. Greene had with the Congress of the United States submitted to the New York Legislature?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Was any public notice issued by your office of the intention to introduce this bill in the New York Legislature?

Mr. ROCKEFELLER, Jr. It would have been rather strange if there had been such public notice issued; I do not know that there was.

Chairman WALSH. You say it would have been rather strange if there had been?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. What is your recollection of that?

Mr. ROCKEFELLER, Jr. I do not recall any such notice being issued.

Chairman WALSH. Was any public hearing held upon the bill while it was pending in the New York Legislature?

Mr. ROCKEFELLER, Jr. I do not recall, from my own knowledge.

Chairman WALSH. The bill was introduced March 25, 1913, I believe your record shows?

Mr. ROCKEFELLER, Jr. I have not the records right here. Mr. Chairman, Mr. Greene has handed me this statement, answering that last question, and perhaps it will clear the matter up if you will allow me to read it.

Chairman WALSH. Just for the sake of time and having our record straight, I would like to take your testimony, and if you are not conversant with the

details and you will say so and he will preserve this memorandum, he can answer as to that, and your testimony will be yours and Mr. Greene's testimony will be his. You may make any explanation on that score, as long as you have it in your hand.

Mr. ROCKEFELLER, Jr. It is not material, but it answers your question and I have it here.

Chairman WALSH. Well, read it.

Mr. ROCKEFELLER, Jr. Mr. Greene says:

"I asked the majority leader who should introduce the bill, and he suggested Senator Foley. I then went to the leaders of the Progressive and Republican Parties in the house and was assured of their hearty support. The bill was passed unanimously, and the charter was drawn following the precedent established by other foundations practically word for word."

Chairman WALSH. Did Mr. Rockefeller and his associates believe that the safeguards provided for in the amendment in the bill as submitted to the Congress of the United States were in the public interest?

Mr. ROCKEFELLER, Jr. We all believed that the provisions were entirely satisfactory, if it were thought best to put them in. We did not ourselves think they gave a strength to the bill.

Chairman WALSH. I call your attention, Mr. Rockefeller, to the statement made by Dr. Jacob Schurman. Did you read that? It was made on Friday, April 22, 1910, before the Cornell congress?

Mr. ROCKEFELLER, Jr. I probably did read it, Mr. Chairman; but I do not know to just what you refer.

Chairman WALSH. I will read an extract from it referring to this bill that was introduced in Congress, and which afterwards became a law by the act of the New York Legislature, and ask you if you consider, as one of the incorporators of the foundation, that it has the scope suggested by Dr. Schurman, as follows:

"Under the terms of this broad charter there is scarcely anything which concerns the life and work of individuals or nations in which the Rockefeller Foundation would not be authorized to participate. As the safety of the State is the supreme condition of national civilization the foundation might in time of war use its income or its entire principal for the defense of the Republic. In time of peace it might use its funds to affect economic and political reforms which the trustees deem essential to the vitality and efficiency of the Republic. The foundation might become the champion of free trade or protection, of trusts, or of the competing concerns out of which they grow, of socialism or individualism, of the program of the Republican Party or the program of the Democratic Party. It might endow the clergy of all religious denominations, or it might subsidize any existing or any new religious denomination. Tomorrow it might be the champion of the Christian religion and a hundred years hence furnish an endowment for the introduction of Buddhism into the United States. It might build tenement houses for the poor in New York City or carry the results of science to enrich the exhausted soils of the East or the arid tracts of the West. It might set up an art gallery in every State of the United States or endow universities which would rival the great State universities of the West. With the consent of the legislature it might relieve any State of the care of its insane, pauper, and dependent classes or construct roads for the benefit of farmers and motorists. These may not be likely objects for the application of the funds of the Rockefeller Foundation. I am not, however, attempting to forecast its work but to understand its charter. And so far as I can see the proposed charter would authorize all these and a multitude of similar activities. If the object of the Rockefeller Foundation is to be coextensive with human civilization, then it may do anything and everything which its trustees think likely to effect reform or improvement in the material, economic, intellectual, artistic, religious, moral, and political condition of the American people or of mankind."

Do you take that view of the broad powers and scope of the foundation?

Mr. ROCKEFELLER, Jr. I do not, Mr. Chairman, because I think you will find in the charter that the Rockefeller Foundation is to proceed by philanthropic and eleemosynary means, a strictly legal expression which is put in such charters. I think those expressions are there.

Chairman WALSH. Now, are they all in section 1? Just go back to section 1, please.

Mr. ROCKEFELLER, Jr. Which page, Mr. Chairman?

Chairman WALSH. Page 19 of the questionnaire, and I will ask you the question, to get it straight in the record, and to clear up the minds of the commission on it, if those very words were not left out of the charter introduced by Senator Foley in the Legislature of New York?

Mr. ROCKEFELLER, Jr. I did not know whether they were left out or not. I supposed they were in.

Chairman WALSH. I will read it again to you, because I am going to ask you a few specific questions along that line, if this is what is not said in the charter under which you are now operating, and I want to get your understanding of this also, Mr. Rockefeller, and not the understanding of Mr. Greene or any person else, if this is what is not said, and if it is not all that is said:

"SEC. 1. John D. Rockefeller, John D. Rockefeller, Jr., Frederick T. Gates, Harry Pratt Judson, Simon Flexner, Starr J. Murphy, Jerome D. Greene, Wickliffe Rose, and Charles O. Heydt, together with such persons as they may associate with themselves, and their successors, are hereby constituted a body corporate by the name of the Rockefeller Foundation, for the purpose of receiving and maintaining a fund or funds and applying the income and principal thereof to promote the well-being of mankind throughout the world. It shall be within the purposes of said corporation to use as means to that end research, publication, the establishment and maintenance of charitable, benevolent, religious, missionary, and public educational activities, agencies and institutions, and the aid of any such activities, agencies, and institutions already established and any other means and agencies which from time to time shall seem expedient to its members or trustees."

Does not your present charter contain that provision and none other limiting your activities?

Mr. ROCKEFELLER, Jr. Yes; that is as it reads, Mr. Chairman.

Chairman WALSH. As it reads. Now, then, I am going to ask you some further questions a little more specific, as to your ideas of the powers of this corporation. Could this corporation under that provision that I have read to you circulate a presidential message?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I do not know. I could not answer that. I never have thought of the things that it could do.

Chairman WALSH. Could it circulate a party platform, a political party platform?

Mr. ROCKEFELLER, Jr. I should think it would be utterly inappropriate and entirely contrary to anything that was in the mind of the founders or of the board of directors.

Chairman WALSH. But as I understand you the founders are to be perpetuated by the vote of this board and go on through time?

Mr. ROCKEFELLER, Jr. Yes, Mr. Chairman; but at any point in the history of the world when the foundation has done anything that is in the judgment of the people contrary to the public interest, the charter can at once be rescinded or amended by the legislature, and that is the one power which we have always thought was utterly and entirely sufficient to protect it. We have purposely left the charter in that way, that it should be broad in its scope so that as the years went by each generation could do the things that it regarded in the common interest with those funds.

Chairman WALSH. Is the provision that you have just mentioned in the charter that you are now operating under?

Mr. ROCKEFELLER, Jr. The provision of the State legislature—

Chairman WALSH. Or do you say that that is the general law upon the subject?

Mr. ROCKEFELLER, Jr. The provision that the State legislature—

Chairman WALSH (interrupting). May amend at any time?

Mr. ROCKEFELLER, Jr. It was not necessary to put it in because it is the law on the subject.

Chairman WALSH. You take that as your opinion of the general law upon the subject?

Mr. ROCKEFELLER, Jr. I am told that that is the law of the State in regard to any charter.

Chairman WALSH. Please answer these questions—

Mr. ROCKEFELLER, Jr. The State has the power to rescind or to amend the charter and it was on that understanding that we presented the bill in this form.

Chairman WALSH. Was that provision put in the law as amended by Congress that it could be amended at any time?

Mr. ROCKEFELLER, Jr. In what law, Mr. Chairman?

Chairman WALSH. In the proposed law that passed the House of Representatives, but did not pass the Senate?

Mr. ROCKEFELLER, Jr. The bill to incorporate the foundation?

Chairman WALSH. Yes; did it not contain the specific provision that it could be amended at any time?

Mr. ROCKEFELLER, Jr. It did; and it was put in simply because the public did not seem to understand that the Congress which was asked to grant the charter had the same power which the State and legislature had to amend it or to rescind it at any time.

Chairman WALSH. Did the person who advised you as to the law upon the subject make any suggestion as to what the state of the law might be with reference to contracts already entered into by the corporation under this charter before an attempt was made to repeal or modify it and which had been wholly or partially performed by individuals or organizations?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. Now, then, I will go through as rapidly as I can the certain activities that I wish to ask you whether or not in your opinion you think could be entered into legally under the provisions which I have read to you?

Mr. ROCKEFELLER, Jr. Mr. Chairman, may I say my opinion will be utterly valueless on that, because I have not thought of all the things that the foundation may do.

Chairman WALSH. You may answer it in that way by simply saying that you do not know, or you have not thought of it. I am going over them rapidly.

May it circulate a criticism of a church or religious body?

Mr. ROCKEFELLER, Jr. I should have no opinion.

Chairman WALSH. Might it circulate editorials written by newspapers or other publications in regard to the Government and its branches?

Mr. ROCKEFELLER, Jr. May I ask, for my guidance in answering the question, do you mean could it legally?

Chairman WALSH. Could it legally.

Mr. ROCKEFELLER, Jr. Has it the power to do it?

Chairman WALSH. Has it the power to do it. Suppose a speech was made in Congress, and a newspaper or magazine published an editorial—the speech was made in Congress at any time affecting some activity of the foundation—for instance, I will just take this: Suppose it was an investigation into industrial relations; would it be within the scope of the powers of the foundation when that editorial was published to use the money in circulating it among the people?

Mr. ROCKEFELLER, Jr. I should think a lawyer would have to answer that, Mr. Chairman; I could not construe the law.

Chairman WALSH. Might it buy a chain of stores?

Mr. ROCKEFELLER, Jr. I should say decidedly not.

Chairman WALSH. Might it decide to render its benevolent services through business enterprises, partially or wholly?

Mr. ROCKEFELLER, Jr. I think it could not.

Chairman WALSH. Might it organize a real estate company for the purpose of building model houses, or some such activity, and employ all of its capital in that company?

Mr. ROCKEFELLER, Jr. My impression would be that it might.

Chairman WALSH. Might the foundation, if it wished, conduct a propaganda against trade-unionism?

Mr. ROCKEFELLER, Jr. I should say no.

Chairman WALSH. Might it conduct a propaganda in favor of workmen's compensation acts?

Mr. ROCKEFELLER, Jr. I should say no.

Chairman WALSH. Might it conduct a propaganda against workmen's compensation?

Mr. ROCKEFELLER, Jr. Same answer.

Chairman WALSH. Might it finance its institutions subject to opposition to trades-unions or subject to the condition that they could not circulate literature upon the subject of trades-unions?

Mr. ROCKEFELLER, Jr. I should say no.

Chairman WALSH. Might it pay for advertising space for its own activities and in behalf of its own activities, no matter what they might be?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Might it furnish funds to pay publicity agents to give out publicity regarding the activities of the company, of the foundation?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. And suppose now the foundation—I will see if I can strike a concrete case. The foundation now has in its employ Mr. Mackenzie King, has it not?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. And Mr. Mackenzie King's letter to you upon the subject of the plan that might be used in Colorado, if made to the foundation, the funds of the foundation could be used to give that wide publicity throughout the Nation, could it not?

Mr. ROCKEFELLER, Jr. I think whatever the directors felt was in the interest of the work in hand would be appropriate.

Chairman WALSH. That could be sent out, and it could be in that way matched against any publicity that through individuals or portions of the press would be given to the other side of the work?

Mr. ROCKEFELLER, Jr. I don't know what you mean by "matched," Mr. Chairman.

Chairman WALSH. I will draw this illustration if I can or will take this concrete case: We will suppose that Mr. Frank J. Hayes, of the United Mine Workers of America, or Mr. Edward J. Doyle, made a speech in a hall some place, desiring great publicity and urging the proposition that the workmen—their proposition—I am not passing on it of course—that workmen could not be organized in a way to secure proper conditions except by national means, by means of a great body of men getting together with a treasury that might maintain them in case they wanted to strike and calling upon the thought of the American people to back them in that plea and furnishing whatever argument they might have. That speech might receive publication, we will say, in the Denver Post or the New York Sun; and under the constitution and powers of your foundation, if Mr. Mackenzie King gave forth his views to the effect that that was not the proper way, but that the proper way was to have a committee, one man from each mine or three single men selected by the management of a mining company, that being a member of the foundation the funds could be used to circulate broadcast the statement of Mr. Mackenzie King as a statement against the views of Mr. Doyle or Mr. Hayes.

Mr. ROCKEFELLER, Jr. I don't see why any foundation should not have the same right to legitimate means of publicity as any such organization as you have spoken of.

Chairman WALSH. So that could be done. Now, where would you draw the line, then, as the dispenser of the money for philanthropic and charitable purposes of yourself, Mr. Rockefeller, and in your capacity as a personal adviser to your father's investments and in your capacity as a director of the Colorado Fuel & Iron Co.? How could you, in human understanding, draw that line?

Mr. ROCKEFELLER, Jr. Will you repeat the question, kindly, Mr. Chairman?

(Question read, as follows: "Now, where would you draw the line, then, as the dispenser of the money for philanthropic and charitable purposes of yourself, Mr. Rockefeller, and in your capacity as a personal adviser as to your father's investments and in your capacity as a director of the Colorado Fuel & Iron Co.? How could you, in human understanding, draw that line?")

Mr. Chairman, the question is apparently based upon the assumption that if a man has one interest he can not be conscientious in the performance of his duty in relation to any other interest. That is not the basis on which the foundation has proceeded. If that basis were accepted, no man could do but one thing. I am assuming that there are men in this country, and hundreds of thousands of them, who can be trusted to try to do what they think is right in various circumstances; and if there can not be found men who can be so trusted, then there should be no funds, and there should be no responsibility of any kind given to men. I think we must rely upon the integrity of men to a great degree in all the matters of life.

Chairman WALSH. I asked you if you felt—do you notice, Mr. Rockefeller, what might be called a divided duty in the matter that I suggested to you?

Mr. ROCKEFELLER, Jr. I do.

Chairman WALSH. That is, as a director of the Colorado Fuel & Iron Co., if you believed that the men ought not to organize, that it was financially to your

disadvantage that they should organize, that as a director of the Rockefeller Foundation you were advised by Mr. Mackenzie King or by whomever made your investigation, that as an abstract social proposition they should be allowed to organize, and if the majority of the advisers of your father's investments should decide that they should be allowed to organize, but that certain definite limits should be put upon them, would you not recognize there, or do you not recognize there, a divided duty which might arise and which would make it impossible for you to act in one capacity without doing an injustice to the other or without contradicting your action in the other capacity?

Mr. ROCKEFELLER, Jr. Will you—was that question at the outset purporting to be a statement of my views with reference to organization, because you stated that I was opposed to organization?

Chairman WALSH. No, sir—

Mr. ROCKEFELLER, Jr. (interrupting). Opposed to the organization of labor?

Chairman WALSH. No; that is a hypothetical question and contains assumptions that do not bind the interrogator or not bind you in the answer as proving anything therein.

Mr. ROCKEFELLER, Jr. No, sir. It is understood that the question in its premises is hypothetical?

Chairman WALSH. Entirely.

Mr. ROCKEFELLER, Jr. I should regard myself as unfit to serve either as a member of the Rockefeller Foundation or on the directorate of the Colorado Fuel & Iron Co. if I was not capable of forming opinions that would be fair in a case like that in relation to both matters.

Chairman WALSH. Suppose that Mr. Mackenzie King, in his letter of August 6, had said to you that from the study he had made that in his opinion the only fair way to handle the situation in Colorado was to recognize the United Mine Workers of America and allow them to put in the check-off system, to require the company to collect the dues of the men; would you have acted in that way as a director and followed that way as a director of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I would not consider that question as a director. If it came up in his report as a member of the Rockefeller Foundation, in which I have one vote with many others, I should hope as a director of that corporation to use my best judgment. I could not do more, Mr. Chairman; and I fancy that the officers of the Western Federation of the United Mine Workers of America would have confidence enough in me to believe that I would be fair in such a matter.

Chairman WALSH. Then upon the next day or the same day you met with the board of directors of the Colorado Fuel & Iron Co. you would feel free then to cast your vote in a way which would be diametrically opposed to the way you cast it in the foundation?

Mr. ROCKEFELLER, Jr. I should feel free to do what I thought was right on both occasions, if the two were diametrically opposed.

Chairman WALSH. And on the same day?

Mr. ROCKEFELLER, Jr. The date would not make any difference, Mr. Chairman.

Chairman WALSH. The date would not make any difference? Now I read further from President Schurman's address, and I will ask you a question or two. He refers to Mr. Murphy's declaration as follows:

"That is one characteristic of all these boards Mr. Rockefeller has created. There is not on one of his boards"—

This is a quotation by Dr. Schurman of Mr. Murphy—

"There is not on one of his boards a single man who has been appointed there for any other reason than his qualifications to contribute something of substance to the work of that particular board. There is not a stick of deadwood in it, and there is not a piece of ornamental timber anywhere."

Now, follow what Dr. Schurman says, and I say that because I am not going to read this all, and, as you probably know, Dr. Schurman here pays high tribute to the present organization and to the intent, objects, and acts of your father in making the gift.

Mr. ROCKEFELLER, Jr. I thank you for so stating.

Chairman WALSH. Well, I would not want it to appear as though I was giving extracts, but I want to call attention to what Dr. Schurman may have considered as a criticism and ask you your opinion on that. He follows:

"This is extraordinarily high praise for any board. And I doubt very much whether any of us who have had experience on different boards could truthfully repeat the encomium which Mr. Murphy passes, and I doubt not deservedly

passes, on the boards established by Mr. Rockefeller. But this encomium, which I venture to say differentiates Mr. Rockefeller's boards from almost all other boards in the world, is not a proof but, if anything, a refutation of Mr. Murphy's claim that a self-perpetuating board of trustees is the best form of organization for the proposed foundation. Why is it that Mr. Rockefeller has secured boards whose members all have peculiar qualifications for the work, who all contribute something of importance to the position of the board, and not one of whom could be described as a stick of deadwood or a piece of ornamental timber? Is it because of any miraculous efficacy in a self-perpetuating board? Directly the reverse is true. It is because these boards are, as they very naturally should be, dominated by Mr. Rockefeller's influence, because Mr. Rockefeller and the associates whom he has trained have themselves selected the new members. In other words, the unique virtues and excellencies which characterize Mr. Rockefeller's boards are due ultimately to the single fact that Mr. Rockefeller is a man of transcendent genius for business organization. I desire that the public should have the benefit of that transcendent genius in all his philanthropic schemes so long as Mr. Rockefeller lives, and even so long as his spirit and influence may be supposed to survive in his family and associates. But his amazing skill and success in organizing his philanthropic enterprises is no argument for a close corporation with a self-perpetuating board of trustees. We can only hope that when the day comes—which we all fervently desire may be far off—that Mr. Rockefeller is no longer here to select his boards, some other elector or electors may be found who will in some measurable degree imitate the success he has so conspicuously achieved; but that fifty or a hundred years hence, when Mr. Rockefeller and his son are no longer living, the then existing board of trustees of the Rockefeller Foundation would be the ablest and wisest electors of their associates on the board is a proposition I can not accept, no matter by whom it is made or with what assurance it is asserted. Mr. Murphy's argument in a single sentence is that because Mr. Rockefeller has proved himself almost infallibly wise in the selection of his associates in the philanthropic work of giving away his fortune for the benefit of mankind, therefore a group of men fifty or a hundred years hence, who are named by men who have been named by other men who have been named by still other men who have been named by Mr. Rockefeller will evince the same infallible wisdom. What a stupendous claim to apostolic succession and infallibility! But it is a mere fiction of the lawyer."

Do you agree with that?

Mr. ROCKEFELLER, Jr. I do not think, Mr. Chairman, that it was ever contemplated that my father or his associates could continue to have their influence felt; but at any time in any generation, when the board having the charge of such a foundation is not, in the judgment of the public, a proper board, the legislature can introduce an amendment limiting, qualifying, and modifying the method of election of directors, and adding at that time any restriction which it may think desirable. Our thought was that until experience had taught along what lines it was wisest to put up barriers the public interest would best be served by leaving the matter as free as possible, and leave each generation to put up such barriers and safeguards as it might think necessary at that time.

Chairman WALSH. Do you have any objection now to the charter being amended, the New York charter, so that the governor of the State of New York, the chief justice of the court of last resort of the State of New York, the president of the New York Senate, the speaker of the house of representatives, the presidents of Harvard, Yale, Columbia, Johns Hopkins, and the University of Chicago shall have the same veto power that was given to the President of the United States, the Chief Justice of the Supreme Court, the President of the Senate, the Speaker of the House of Representatives, and those same college presidents in the act which passed the House of Representatives and was submitted in the Senate?

Mr. ROCKEFELLER, Jr. If you ask whether I have any objections, I say no. If you ask whether I think it is wise, I say I think it would not be wise.

Chairman WALSH. Very good. I have been asked to ask you this question by another commissioner, and I will ask it at this point: Can the legislature invalidate work already done by any action with respect to the charter of the original foundation?

Mr. ROCKEFELLER, Jr. That is a legal question I could not answer.

Chairman WALSH. Why is it not, when it has the power of revision or repeal of the general charter?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Why do you think it is unwise in New York State to have the veto power which I have read to you?

Mr. ROCKEFELLER, Jr. I do not think it is unwise in New York State any more than it would be unwise in Congress. I simply think we do not know enough yet about the desirability for limiting and protecting such a fund to make action at this time necessary or wise, when it can be done at any time. I should rather act on experience, rather than in forecasting the future.

Chairman WALSH. What study have you made of the work of the world on the establishment and maintenance of foundations for philanthropic and educational purposes?

Mr. ROCKEFELLER, Jr. What do you mean by "what study"? That I have written—

Chairman WALSH (interrupting). No; I would have asked you what you had written on it, if I had wanted that. I asked you what study you had made.

Mr. ROCKEFELLER, Jr. I have never made any study. It is a question I have discussed and thought of very extensively.

Chairman WALSH. Do you know that there has been a vast experience in the world on the subject of perpetuating large fortunes or large sums of money for specific purposes?

Mr. ROCKEFELLER, Jr. I do; but that is not the condition here. When sums of money are perpetuated for specific purposes, which purpose may cease to exist as time goes on, I think such perpetuation very unwise.

Chairman WALSH. Did you have some attorney or some student of history or expert make a study of the activities of the world in times past with reference to tying up large sums of money for special or general purposes after the death of the owner?

Mr. ROCKEFELLER, Jr. I never caused such a study to be made; but a study of an informal character was made by various of the men interested in seeking this charter.

Chairman WALSH. Please state what studies, if any, you made of it, Mr. Rockefeller. What countries did it cover?

Mr. ROCKEFELLER, Jr. I have made no formal studies. I have simply talked with other people who I thought would have information on that subject.

Chairman WALSH. Do you recall with whom you talked?

Mr. ROCKEFELLER, Jr. I could not begin to say, Mr. Chairman. I have talked with any man who I thought might have information.

Chairman WALSH. I believe you stated that the foundation had decided to publish an annual report?

Mr. ROCKEFELLER, Jr. I did.

Chairman WALSH. When was that decision arrived at?

Mr. ROCKEFELLER, Jr. I think some time last winter.

Chairman WALSH. Was it the subject of a resolution by the board of trustees?

Mr. ROCKEFELLER, Jr. I can not recall whether there was formal action taken. It was the consensus of opinion at a board of trustees' meeting that it was desirable and should be done.

Chairman WALSH. It was at a meeting of a full board of directors or a quorum of the board of directors?

Mr. ROCKEFELLER, Jr. That is my impression.

Chairman WALSH. I don't know whether I asked you yesterday or not, but if I did, you may answer just briefly. Do you think that the charter for such an organization as this should require annual publications of the money spent and work done?

Mr. ROCKEFELLER, Jr. I think you did yesterday, and I may have said "no." I see no possible harm, however, in such required publication, and I think there would be a certain advantage in having a definite requirement of that kind for any such bodies.

Chairman WALSH. Now, I will ask you a few questions in regard, again, to Mr. King. Mr. King's letter which you read—by the way, do you have the original letter?

Mr. ROCKEFELLER, Jr. Yes; I have it right here, Mr. Chairman. I have the original and I have a copy. Will you have both, or see the original and keep the copy?

Chairman WALSH. It is immaterial; just as you say.

Mr. ROCKEFELLER, Jr. Do you care to have me read the parts not included in the letter read yesterday?

Chairman WALSH. I do not, unless you have some desire in that direction.

Mr. ROCKEFELLER, Jr. No; not at all.



Chairman WALSH. Now, this letter was written, I see, from The Roxborough, Ottawa, on August 6, 1914. Is that correct?

Mr. ROCKEFELLER, Jr. Yes, Mr. Chairman.

Chairman WALSH. Prior to that time had you had a conference with Mr. Mackenzie King at Tarrytown, N. Y., at which were present your father, Mr. Jerome D. Greene, and yourself?

Mr. ROCKEFELLER, Jr. I don't recall any conference at which all of those parties were present, Mr. Chairman, at Tarrytown.

Chairman WALSH. Did you have a conference at Tarrytown at which were present your father, yourself, Mr. Mackenzie King, and Mr. J. F. Welborn, the president of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. We had no conference with that group. It is true that Mr. King and Mr. Welborn spent a night with me, and I invited my father to dinner; but we had no conference, simply an informal chat.

Chairman WALSH. Did you discuss the proposed employment, during that chat, of Mr. King with any of the Rockefeller activities?

Mr. ROCKEFELLER, Jr. We did not.

Chairman WALSH. Had you discussed with Mr. King prior to that time his probable or likely connection with the Rockefeller fund?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. And this letter was written upon August 6, and laid down the plan, a portion of which you afterwards recommended to Mr. J. F. Welborn as being proper to put into effect in your industry in Colorado?

Mr. ROCKEFELLER, Jr. Yes; only, in justice to Mr. King, I think we should say that he did not lay down a plan, because he apologizes for the rather hurried way in which he expresses his ideas.

Chairman WALSH. Yes; but the plan was suggested, and you submitted the plan to Mr. Welborn?

Mr. ROCKEFELLER, Jr. I did.

Chairman WALSH. Yes; and that plan, in its essence, was afterwards adopted by the Colorado Fuel & Iron?

Mr. ROCKEFELLER, Jr. There were certain features of it adopted and other features added.

Chairman WALSH. Well, were not the principal features or basic features adopted by the Colorado Fuel & Iron?

Mr. ROCKEFELLER, Jr. I think that is a fair statement of it.

Chairman WALSH. That is a fair statement of it. Now, that was in August, 1914? Is that correct?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And in August, 1914, the workers that had been formerly in your employ in the Colorado Fuel & Iron Co. were contesting with you for recognition of their union?

Mr. ROCKEFELLER, Jr. That was said to be the issue of the companies; yes, sir.

Chairman WALSH. Now, then, was there any compensation paid Mr. King for any work that he did prior to October 1, 1914?.

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. This was done at whose request?

Mr. ROCKEFELLER, Jr. As stated in my letter to Mr. Welborn, at my request.

Chairman WALSH. Have you produced, or did I ask you to produce—I probably did not, because I gather the information from the beginning of this letter, and do not recall whether I had it in the questionnaire before or not. This letter begins by saying:

"As stated in my wire to you, I did not receive your letter of August 1 until the late mail on Thursday, the 4th."

Have you produced the letter of August 1 which called for or brought forth this answer of August 6 of Mr. King?

Mr. ROCKEFELLER, Jr. You have not asked for it, Mr. Chairman.

Chairman WALSH. Will you kindly produce that?

Mr. ROCKEFELLER, Jr. I will.

Chairman WALSH. Your letter of August 1, to Mr. King, to which the letter of August 6, which you have submitted, is reply. You will produce that?

Mr. ROCKEFELLER, Jr. I will, Mr. Chairman.

Chairman WALSH. Under the act of incorporation of the Rockefeller fund, can the number of members be reduced?

Mr. ROCKEFELLER, Jr. My impression is that it can not, below the number of incorporators.

Chairman WALSH. May I ask, Mr. Rockefeller, from where you get the idea that the number of incorporators can not be reduced? Is it under the general law of New York, or has the advice been given you that such is the law?

Mr. ROCKEFELLER, Jr. I had assumed that the number of incorporators never could be changed, Mr. Chairman; the incorporators are those who have asked for incorporation.

Chairman WALSH. And as a matter of general law or statutory law of the State of New York, they can not be reduced. That is your idea of it?

Mr. ROCKEFELLER, Jr. I don't see how they could be.

Chairman WALSH. Now, first you have this foundation—you have these general philanthropic and educational activities—the foundation, the General Education Board, and the Rockefeller Institute for Medical Research, I believe?

Mr. ROCKEFELLER, Jr. Yes, Mr. Chairman.

Chairman WALSH. Now, on the foundation board, the following gentlemen appear as directors, I believe, on each of these boards and upon the personal staff of Mr. Rockefeller, except Mr. Gates: John D. Rockefeller, Jr., Starr J. Murphy, Jerome D. Greene, and Mr. Heydt?

Mr. ROCKEFELLER, Jr. Mr. Heydt is not—

(Chairman WALSH (interrupting). He is your secretary?

Mr. ROCKEFELLER, Jr. He is not a member of the Rockefeller Institute board, as I recall it.

Chairman WALSH. But he is of the General Education Board?

Mr. ROCKEFELLER, Jr. He is of the General Education Board, and the Rockefeller Institute—no; pardon me, he is not a member of the General Education Board. He is a member solely of the Rockefeller Institute board—no; I mean the foundation board—solely of the foundation board, Mr. Heydt.

Chairman WALSH. Now, the funds of the Rockefeller Foundation are paid out on the orders of a finance committee, I believe?

Mr. ROCKEFELLER, Jr. They are paid out, Mr. Chairman, as stated quite fully in answer to the questionnaire, on the general vote of the board of directors or of the executive committee.

Chairman WALSH. Who are on the executive committee?

Mr. ROCKEFELLER, Jr. I think that is also stated there.

Chairman WALSH. Mr. Rockefeller, could you recall it and state it?

Mr. ROCKEFELLER, Jr. The members of the executive committee, if my memory serves me, are Mr. Murphy, Mr. Greene, Dr. Simon Flexner, Mr. Heydt, and myself. That is subject to correction. I think that is correct; but we have given that information there, and, if I am not correct, it will be corrected by the data there.

Chairman WALSH. Has any estimate been made of what the taxes would have been upon the property contained in the Rockefeller fund?

Mr. ROCKEFELLER, Jr. No, Mr. Chairman.

Chairman WALSH. Has any estimate been made by any member of your father's personal staff as to the relation that the amount of taxes exempted by the foundation would bear to the income of the foundation minus the cost of operation?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Now, then, with reference to the time of the incorporation of the foundation, did the securities go into it?

Mr. ROCKEFELLER, Jr. There was a gift made, I think, as I stated in answer to the questionnaire, of a few millions of dollars shortly after the time of incorporation. Later that same year my recollection is that there was a further gift of something around \$30,000,000; and the final gift, making the total of \$100,000,000 was made, my recollection is, some time in 1914. Just when, I do not recall.

Chairman WALSH. The following condition, I see, is contained in the deed of gift from your father:

"It is a condition of this gift that from the income of the foundation the sum of \$2,000,000 annually, or as much thereof as I shall designate, shall be applied during my lifetime to such specific objects within the corporate purposes of the foundation as I may from time to time direct. If, at the close of any fiscal year, there shall remain any balance of the \$2,000,000 which I have not thus designated during that fiscal year, such balance shall be transferred to the general unrestricted income of the foundation, to be used as the foundation shall see fit. Subject to the foregoing provision, the principal, as well as the income of this gift, may be used in your discretion for any of the corporate purposes of the foundation."

Now, what was the total income of the foundation last year?

Mr. ROCKEFELLER, Jr. I think that appears in this statement.

Chairman WALSH. Please refer to it.

Mr. ROCKEFELLER, Jr. No; that does not, Mr. Chairman, because the statement was made before the end of the year. I may have it here. The total income from January 2, 1914, to January 1, 1915, was \$5,152,761.50.

Chairman WALSH. Does the Rockefeller fund keep a statement of the disbursements of the \$2,000,000 retained for the personal benefactions of your father?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. And that will appear, I take it, in the annual report?

Mr. ROCKEFELLER, Jr. It will, in full. I might explain, Mr. Chairman, that the development of the foundation was simply a development into a more permanent form of the philanthropic work which my father had been carrying on personally before.

Chairman WALSH. Will you please make a chart for us, or have one made in your office, Mr. Rockefeller, showing all of these activities and the names of the persons who are on them. To make it very clear to you, I asked you yesterday several questions along the proposition of what might be called "interlocking directorates," and I would like you to just state the facts, if you will, in a simple little chart.

Mr. ROCKEFELLER, Jr. I think that information is here, and I will be glad to give it to you again.

Chairman WALSH. I wish, of course, you would include in that the committees—the executive committees and the finance committees—showing who the individuals are.

Mr. ROCKEFELLER, Jr. The members of the board and the executive committee?

Chairman WALSH. And all of the standing committees of the organization, such as the executive committee or finance committee and such others as you may have.

Mr. ROCKEFELLER, Jr. Of the foundation, the General Educational Board, and the Institute?

Chairman WALSH. Yes, sir. Is the Bureau of Social Hygiene part of this and does it have standing committees?

Mr. ROCKEFELLER, Jr. It is not a part of this and has no standing committee.

Chairman WALSH. Is the sanitary commission—

Mr. ROCKEFELLER, Jr. The International Health Commission is, as I stated yesterday, an organization which has been created by the Rockefeller Foundation to enter into the field of sanitation.

Chairman WALSH. Will you please submit any standing committees that there are on that, along with this little chart? How many meetings a year must the corporation hold, referring to the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. I think the stated number of meetings is three—maybe four; but my recollection is three.

Chairman WALSH. How are the absent members notified, or are they notified of the action taken?

Mr. ROCKEFELLER, Jr. I think not, except as they get the annual report—as they will get it.

Chairman WALSH. Are the minutes of the meetings printed?

Mr. ROCKEFELLER, Jr. The minutes of the meetings are typewritten and sent to the—I am not sure whether they are sent to the members or simply laid on the table at the current meetings. I have forgotten which.

Chairman WALSH. Between meetings I suppose that the control of the corporation is in the hands of the executive committee?

Mr. ROCKEFELLER, Jr. Along lines laid down by the board.

Chairman WALSH. And that committee consists of yourself, Mr. Murphy, Mr. Greene, Mr. Heydt, and Dr. Flexner?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And they are all, as you have stated—see if this statement is correct—all connected with your father's investments, with the companies in which those investments are had, or upon your personal staff or your father's personal staff, with the exception of Dr. Flexner, who is the salaried head of the Rockefeller Institute?

Mr. ROCKEFELLER, Jr. I think that is substantially correct.

Chairman WALSH. I am going to ask your opinion upon some things here. Do you think three meetings a year frequent enough for the trustees of so powerful a corporation?

Mr. ROCKEFELLER, Jr. I do.

Chairman WALSH. How many meetings a year does the executive committee hold?

Mr. ROCKEFELLER, Jr. Just as many as may be needed. There is no stated number.

Chairman WALSH. Can you state how many the executive committee held last year?

Mr. ROCKEFELLER, Jr. I think that shows here, Mr. Chairman, with the attendance at each. The number does not remain in my mind.

Chairman WALSH. And the record is kept of the proceedings of the meetings of the executive committee?

Mr. ROCKEFELLER, Jr. Definite minutes of all the actions taken.

Chairman WALSH. In what way are trustees who are not members of the executive committee notified of its action taken between board meetings?

Mr. ROCKEFELLER, Jr. My recollection is that the minutes of the meetings of the executive committee are read at the next meeting of the board, if not submitted to the directors for their perusal.

Chairman WALSH. Is there any formal machinery for notifying the trustees of action taken by the executive board between meetings?

Mr. ROCKEFELLER, Jr. There is not.

Chairman WALSH. How are the executive committee members notified of action taken in their absence?

Mr. ROCKEFELLER, Jr. They are not notified.

Chairman WALSH. What is a quorum of the executive committee?

Mr. ROCKEFELLER, Jr. Three, I think. That is stated in the answers. I think three, of course.

Chairman WALSH. Should the charter require the minutes of the board and of the executive and finance committees to be printed?

Mr. ROCKEFELLER, Jr. We have not thought it necessary or we would have inserted that requirement in the charter.

Chairman WALSH. Would you welcome an amendment to the charter of the foundation which would provide for the printing of the minutes?

Mr. ROCKEFELLER, Jr. I would not think it necessary.

Chairman WALSH. Then I take it you would not welcome it?

Mr. ROCKEFELLER, Jr. I should not be hostile to it, but I should not recommend it. I should simply think it was unnecessary.

Chairman WALSH. Please state as briefly as you can the provision or provisions that the foundation has made for making public its work.

Mr. ROCKEFELLER, Jr. I do not know of any provisions that it has made.

Chairman WALSH. There is no provision for such publicity in the charter?

Mr. ROCKEFELLER, Jr. Well, if there is—

Chairman WALSH. In the charter granted from the State.

Mr. ROCKEFELLER, Jr. Not that I know of.

Chairman WALSH. There is no provision for publicity in the constitution of the body itself, the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. Not that I know of.

Chairman WALSH. And there is no provision for publicity in the by-laws of the corporation?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Was the decision to publish annual reports made at a meeting of the board of trustees, or by the executive committee?

Mr. ROCKEFELLER, Jr. As I stated in answer to a previous question, by the board of trustees.

Chairman WALSH. What mailing list does it plan to use in distributing this report?

Mr. ROCKEFELLER, Jr. I think it has made no plans as yet.

Chairman WALSH. Who will prepare this publicity matter for distribution?

Mr. ROCKEFELLER, Jr. The secretary of the foundation will prepare the report. No plans have been made with reference to its circulation.

Chairman WALSH. Was there some one present in charge of the preparation of this printed document, the questionnaire, or was the actual work of writing done by some particular person?

Mr. ROCKEFELLER, Jr. It was done by the several of us in the office who are familiar with those matters, each contributing as he might have time.

Chairman WALSH. Did Mr. Lee have anything to do with that, Mr. Ivy L. Lee?

Mr. ROCKEFELLER, Jr. I think it is highly probable that he did, as one of our associates.

Chairman WALSH. Is it within your knowledge whether he did or not?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. He did?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Did he write a number of the matters that went to the newspapers with regard to the Rockefeller Foundation; did Mr. Ivy L. Lee prepare that publicity matter?

Mr. ROCKEFELLER, Jr. I do not know whether he prepared it. He has co-operated with us in any way that we have desired to have him. As I stated yesterday, in seeking his advice last spring, it was quite as much in the interest of the various matters which we were interested in as—

Chairman WALSH. How is that?

Mr. ROCKEFELLER, Jr. As I stated, in seeking Mr. Lee's advice last spring, it was quite as much that matters with respect to our own affairs and the philanthropies and other work which we had in hand might be given proper publicity as that the situation in Colorado might receive attention.

Chairman WALSH. Did I understand that Mr. Lee receives part of his compensation from the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. He does not.

Chairman WALSH. He receives none of it from the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. He does not; he receives none of it.

Chairman WALSH. You have already stated that the pay for his work in distributing the bulletins containing the facts with regard to the Colorado situation was paid by your father?

Mr. ROCKEFELLER, Jr. Yes; and I have the entry here if you care for it.

Chairman WALSH. What entry is that?

Mr. ROCKEFELLER, Jr. You asked me to produce the entry in my father's books in connection with the payment of that amount to Mr. Lee.

Chairman WALSH. I would be very glad to have it now.

Mr. ROCKEFELLER, Jr. It reads—this is a copy by the bookkeeper:

"November 25, 1913, check No. A64938, to the order of Ivy L. Lee, instructions J. D. R., jr., November 24, at the rate of \$1,000 per month from June 1 to December 1, 1914, \$6,000. Charged to office expense account."

And the check itself, which I have here, as is customary with the checks of our office, has certain references to vouchers, etc., in the printed place for the date, November 24, 1914. J. D. R., jr., and makes reference to my letter instructing—my letter to Mr. Lee inclosing the check, which is here, and I shall be glad to read it.

Chairman WALSH. If you please, you may do so.

Mr. ROCKEFELLER, Jr. (reading):

"Mr. LEE: Inclosed please find check for \$6,000, being the compensation agreed on at the rate of \$1,000 a month for the services you have rendered to our interests from the beginning of our relationship—the 1st of June to the 1st of December. It is understood that compensation at the same rate is to be continued for the month of December.

"Greatly appreciating the valuable assistance you have rendered to us, I am,

"Very truly,

"JOHN D. ROCKEFELLER, Jr."

Chairman WALSH. Please hand that to the sergeant at arms.

Mr. ROCKEFELLER, Jr. May I ask that it be returned?

Chairman WALSH. Yes; I will see that it is returned at once. Was there any reason why Mr. Ivy L. Lee was not paid \$1,000 a month as he went ahead with the work?

Mr. ROCKEFELLER, Jr. The question of compensation was not discussed when I made the arrangement with Mr. Lee.

Chairman WALSH. I think the sergeant at arms did not get the book entry.

Mr. ROCKEFELLER, Jr. This is the book entry [indicating].

Chairman WALSH. This general expense book of your father, are you familiar with it?

Mr. ROCKEFELLER, Jr. No; except that I know that any office expenses, such as salaries, incidental stationery, and other things of that sort—traveling expenses—are charged to it.

Chairman WALSH. Is Mr. Lee receiving any compensation for the publicity matter he is writing for the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. He is not.

Chairman WALSH. He is just contributing that on account of his employment upon your father's private staff?

Mr. ROCKEFELLER, Jr. Mr. Lee, as one of the members of my father's staff, and just as the rest of us do, contributes any services that may be in the interest of any of the general matters we have in hand.

Chairman WALSH. Financially?

Mr. ROCKEFELLER, Jr. On any subject.

Chairman WALSH. In the business management of corporations?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Or in the philanthropic activities?

Mr. ROCKEFELLER, Jr. In all my father's interests.

Chairman WALSH. Did the normal school department of the National Educational Association at its St. Paul meeting in July, 1914, pass the following resolutions:

"We view with alarm the activity of Carnegie and Rockefeller Foundations, agencies not in any way responsible to the people, in their efforts to control the policies of our State educational institutions, to fashion after their conception, and to standardize our courses of study, to surround the institutions with conditions which menace true academic freedom and defeat the primary purpose of democracy as heretofore preserved inviolate in our common schools and normal schools and universities."

Mr. ROCKEFELLER, Jr. I was not invited to attend that meeting, and I could not say whether such resolution was passed or not.

Chairman WALSH. You were not invited to attend the meeting of the International Educational Association?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Was the resolution called to your attention after it was passed?

Mr. ROCKEFELLER, Jr. I think I saw it in the papers.

Chairman WALSH. Kindly make any comment you might wish to make on that.

Mr. ROCKEFELLER, Jr. I have not any comment to make, Mr. Chairman.

Chairman WALSH. And a State superintendent of education in the South wrote to the commission to the effect educational freedom in the South was being threatened by private donors—the colleges and public universities—the private colleges and public universities.

Mr. ROCKEFELLER, Jr. What letters might be addressed to this commission I am not in a way to know, Mr. Chairman.

Chairman WALSH. Has there any such letter been addressed to your institution, to the Rockefeller Foundation?

Mr. ROCKEFELLER, Jr. Not that I have heard of.

Chairman WALSH. Do the southern colleges to which this General Education Board gives money for the purposes of secondary education consult the board informally in regard to the persons to be appointed?

Mr. ROCKEFELLER, Jr. That I do not know. They certainly do not consult the board. It is a matter in the hands of the officers of the board; and I understand that the secretary of the board is to appear before you and he can give you the information and I can not.

Chairman WALSH. You have no recollection upon that subject?

Mr. ROCKEFELLER, Jr. My recollection is not clear on it.

Chairman WALSH. Commissioner Garretson has a few questions he wishes to ask you, Mr. Rockefeller.

Commissioner GARRETSON. Mr. Rockefeller, in speaking of the question of discipline or removal of trustees, you refer to the fact that a veto power as to the election of trustees would be sufficient, in your opinion?

Mr. ROCKEFELLER, Jr. Yes.

Commissioner GARRETSON. Is not the veto power purely preventive and not corrective?

Mr. ROCKEFELLER, Jr. Mr. Garretson, it had never occurred to us that men could get on this board who would need correction.

Commissioner GARRETSON. Are there not rather striking examples of the inability of any power to choose a number of men among whom there might not be, to use the Methodist term, backsliders?

Mr. ROCKEFELLER, Jr. If such a backslider were to develop in any of these boards, in the first place he would be entirely in the minority, and in the second place, at the end of his term of office, which does not exceed three years, he could easily be replaced, if he could not be put out at an earlier date.

Commissioner GARRETSON. Might it not be necessary, with the formal repudiation, to place the foundation on record as passing judgment?

Mr. ROCKEFELLER, Jr. It might, but we did not consider that possibility.

Commissioner GARRETSON. With a sort of perpetuating power as is here described—by the way, have you followed up any of the analyses of the war situation in Europe, particularly by noted university men of those countries?

Mr. ROCKEFELLER, Jr. I have not read them with any care at all.

Commissioner GARRETSON. Where it is asserted, wrongly or rightly, that there has been a continuous campaign, for instance in Germany from 1848, accentuated since 1870, of domination by the militarist idea of all channels of the State, church, educational, social, and otherwise with the apotheosis of the divine mission of Germany to regenerate the world, considered as connected with the present condition there?

Mr. ROCKEFELLER, Jr. I have heard that theory advanced, Mr. Garretson.

Commissioner GARRETSON. Might it be possible that a foundation of the character of some that exist that with a change of the personnel, and I am applying this absolutely to a condition which may arise after the present generation is gone—that with a personnel devoting the potential power to a domination of the educational, as outlined in the resolution passed by the educational association, to the spiritual as applied to the endowment of churches or of theological universities—to the social as applied by ordinary, well-recognized methods of molding public opinion—could a foundation of that character, self-perpetuating in its nature, exercise an influence that would be deadly to liberalism? I go no further than liberalism?

Mr. ROCKEFELLER, Jr. It is remotely possible, Mr. Garretson, but my answer would be that with the power of the legislature to amend and restrict in any way, that such power at any time ought to be sufficient to safeguard against that possibility.

Commissioner GARRETSON. But, if that campaign were so thoroughly conducted, under the rose, that before thinking men wakened to its influence it had been able to exercise and create a degree of domination, what then?

Mr. ROCKEFELLER, Jr. I think that would be hardly possible; that the American people would know the trend of such an attempt before it had gotten any such hold. And may I say, Mr. Garretson, right here, that I think it must be obvious to you all that one reason why the founders of the Rockefeller Foundations made such strenuous, persistent, and patient efforts to get a Federal charter, was that this large work, running through the ages, might be most conspicuously located, might be at a point where the eyes of the people of the whole country would center upon it, and where the representatives of the people, as a whole, would be constantly working and where they could see what it was doing, and direct, as they might see fit, or limit its activities.

Commissioner GARRETSON. Going, for a moment, to the plan that has been in effect tentatively for relations between employer and employee in the mining region of Colorado, what safeguard is there, Mr. Rockefeller, in that plan for the independent man who is chosen by his associates on that committee as their representative?

Mr. ROCKEFELLER, Jr. Safeguard in what respect?

Commissioner GARRETSON. His service with the corporation as against the resentment of any petty officer?

Mr. ROCKEFELLER, Jr. I should think the large number of men who were back of him would be a pretty strong safeguard.

Commissioner GARRETSON. Are you aware of the fact, Mr. Rockefeller—I will draw from my own experience—that the railway organizations that are recognized as having as great a voice in dealing with their own affairs with their employers as almost any labor organization—that they for 20 years have found it necessary to have inserted in all their agreements, as outgrowth of large experience with men behind those committeemen, that no committeeman should be discriminated against in his service on account of contending against the views of the company—against the companies' viewpoint—and that 1,000 men would be a small estimate of the number of men who have been protected under this clause against that very thing?

Mr. ROCKEFELLER, Jr. What is the question?

Commissioner GARRETSON. How could men be protected against this plan, this plan that is suggested or that is put in effect?

Mr. ROCKEFELLER, Jr. As I understand it, Mr. Garretson, this plan is a plan which is doubtless going to develop as occasion may require. I fancy the officers of the company and the men who have cooperated in its execution to this point will purpose to develop any additional features which their common counsel and experience might indicate to be desirable, and I should not regard it as a finished and final plan, but subject to such strengthening in weak points as you have suggested or as others may suggest.

Commissioner GARRETSON. You realize, of course, the absolute necessity of such safeguards as long as officers remain human?

Mr. ROCKEFELLER, Jr. Your experience I should take as final on that, Mr. Garretson.

Commissioner GARRETSON. It has not been final yet; we still have occasions for it.

Mr. ROCKEFELLER, Jr. It would have great weight with me.

Commissioner GARRETSON. You spoke of the necessity for a corporation performing certain services under pioneering conditions. When a corporation takes upon itself, either pioneering or otherwise, to furnish all the elements of community life, and that naturally comprises schools, churches, publications in many cases, school boards, city governments—all of those agencies when they come from the company and are administered by the company—is there not thereby created an element of feudalism?

Mr. ROCKEFELLER, Jr. I think it is a highly undesirable situation to have exist.

Commissioner GARRETSON. Well, is it not true that passing to the final stage, and that is with an open mind, because that can only be properly applied to that one condition—that of taxation—the company owning the property for taxation, and that is applied only on the farm lands, all of the funds necessary for the community to provide for itself should be properly available as in any other community?

Mr. ROCKEFELLER, Jr. I should hope that just as quickly as the community could take care of those interests it should do so.

Commissioner GARRETSON. Has there been any tendency in that direction in what are known as closed camps?

Mr. ROCKEFELLER, Jr. That I do not know.

Commissioner GARRETSON. Do you know as to the truth of whether or not the company activities have, first named the tax commissioners through political action, next lowered the tax rate until funds were not available, and then proceeded on the surface to furnish those facilities as philanthropic necessities after throttling the right of the people to them from the State source?

Mr. ROCKEFELLER, Jr. I do not know.

Commissioner GARRETSON. It would be an undesirable condition, from my standpoint, if it were shown that that did exist, and that that was the reason why the company had to exercise those patriarchial rights.

Mr. ROCKEFELLER, Jr. Utterly undesirable.

Commissioner GARRETSON. You gave expression in your original statement that you believed in the right of organization of labor on precisely the same lines or to exactly the same extent—I am only making a free quotation—that you believed in it for capital. I am not misquoting you there, I think?

Mr. ROCKEFELLER, Jr. You are correct.

Commissioner GARRETSON. Then you followed that with a statement, in another part of the testimony, as to the responsibility of stockholders and directors, in which you took a view that the executive must of necessity conduct the business. I am using the executive in the sense of the full executive staff, presumably the president and those below him, but the president being held responsible for that executive staff. Now, if the executive of a business corporation has plenary power and is held responsible for the conduct of that business, are you prepared to accept exactly the same idea as applied to the conduct of the labor union; that is, the organization of the men? In other words, I want to make an example, to illustrate so that you will know what I mean before you reply. You, as the president of a great corporation, decide all questions that arise on the labor question—we will take that alone—without referring to your board of directors, under the plenary powers that you have described as being necessary. I, as the executive of labor union, come to you to deal for your employees. Would you consider that any labor union



should place in an executive officer's hands, the executive of that union, power to put those men on strike without the consent of the men?

Mr. ROCKEFELLER, Jr. That is a question leading into your field, Mr. Garretson, that I do not feel I could answer.

Commissioner GARRETSON. Wouldn't it be a damnable power?

Mr. ROCKEFELLER, Jr. I think it would be.

Commissioner GARRETSON. To apply to us?

Mr. ROCKEFELLER, Jr. It might be.

Commissioner GARRETSON. For instance, the brotherhood of which I am a part, if its members all went on a strike, associated with those who follow the same pursuit—the trainmen and engine service—for one day, tied the continent up, we could paralyze commerce; and if it extended beyond three days, make a large part of the population hungry, if, as it is claimed, the city lives from hand to mouth. Should the law permit power to be in the hands of four men to do that?

Mr. ROCKEFELLER, Jr. I should think it was very unsafe.

Commissioner GARRETSON. Is it more unsafe that the men we deal with, representing exactly the same relation to the public—that is, the president of the railway—should have the power to precipitate war without returning to their constituency to know whether or not it was proper?

Mr. ROCKEFELLER, Jr. I have said, Mr. Garretson, that I should think, as a director—that the director of any corporation must take the final responsibility for the acts of the officers whom they elect, and it is their responsibility to get the best officers. Now, it would come back on to them, and if any such situation did arise it would be entirely appropriate that it should come back to the directors for consideration.

Commissioner GARRETSON. Do you consider that it could be appropriate that the power should be placed on the other side on the same way?

Mr. ROCKEFELLER, Jr. I think the situation ought to be paralleled absolutely.

Commissioner GARRETSON. Now, in that connection—if I thunder out my subject, will you kindly understand I am not thundering at the man?

Mr. ROCKEFELLER, Jr. I quite understand it, sir.

Commissioner GARRETSON. You heard—or were you present when Mr. Brandels gave his testimony?

Mr. ROCKEFELLER, Jr. No.

Commissioner GARRETSON. Did you read the excerpts of it with regard to the responsibility of stockholders and directors?

Mr. ROCKEFELLER, Jr. Not carefully. I just glanced at it.

Commissioner GARRETSON. Have you had any—this is a question that is purely personal, and you are at liberty, perfect liberty, if you do not want to answer it, I will have no fault to find—

Mr. ROCKEFELLER, Jr. I want to answer it if I can.

Commissioner GARRETSON. Have you seen any reason in the past—and I am going to make it wide enough, six months—to change your views in any degree in regard to the responsibility of either stockholders or directors for the conduct of a corporation or of any other institution of which he is a part?

Mr. ROCKEFELLER, Jr. You mean as regards the views which I have expressed in my written statement, or those previously stated?

Commissioner GARRETSON. I put it back six months so that it would cover a very considerable period, probably cover all your public expressions on the subject to any tribunal or through any channel.

Mr. ROCKEFELLER, Jr. I should hope, Mr. Garretson, that I would never reach the point where I would not be constantly progressing to something higher, better—both with reference to my own acts and with reference to the general situation in the company. My hope is that I am progressing. It is my desire to.

Commissioner GARRETSON. You are like the church says, you are “growing in grace.”

Mr. ROCKEFELLER, Jr. I hope so, too. I hope the growth is in that direction.

Commissioner GARRETSON. What is the function of a publicity agent, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. I do not know. I never was one.

Commissioner GARRETSON. What is his value based on?

Mr. ROCKEFELLER, Jr. I haven't any knowledge.

Commissioner GARRETSON. Bear in mind this is purely a practical question. I have been wondering if the publicity agent's value was based upon, first, his ability to tell the truth, the whole truth, and nothing but the truth—

Mr. ROCKEFELLER, Jr. Well, if I—

Commissioner GARRETSON (interrupting). Or upon his ability to put in enough of truth in a statement to make it appear plausible, or, to put across, to use the train phrase, the views that his employer desires put across?

Mr. ROCKEFELLER, Jr. Mr. Garretson, if I had information that an employee, a publicity agent, did not have that first qualification, the ability to tell the truth, the whole truth, and nothing but the truth, and was willing ever to tell anything else in reference to matters that I had anything to do with, I would not want him related to me in any way for a minute. That would be the prime qualification, in my judgment.

Commissioner GARRETSON. Would you expect to find him in the regular trade?

Mr. ROCKEFELLER, Jr. I dare not answer that question.

Chairman WALSH. We must have perfect order. I know it is rather difficult under such a provocation.

Commissioner GARRETSON. If the witness will agree with me we will not break the rule, I mean agree that we won't break it, not on the subject matter.

Mr. ROCKEFELLER, Jr. I think I can agree in both.

Commissioner GARRETSON. Do you believe, Mr. Rockefeller, that a director has any moral right to set up the plea that he is too busy to perform his duties for which he is elected as a director?

Mr. ROCKEFELLER, Jr. No.

Commissioner GARRETSON. In your statement you recited three conditions that went with the exercise of a certain—well, whether rights or privileges is always debatable—but that an enterprise should render the remunerative rate and fair conditions for its labor; that is, should pay that to those who serve it; that it should render service to the public, presumably satisfactory service, proper service; second, the return on capital. Which of those three would you give precedence as the obligation resting upon a business enterprise?

Mr. ROCKEFELLER, Jr. If I was the only one to be consulted I would give preference to the proper living conditions of the employees. That would be my own feeling. If I were representing the management of a company, the directors of a company, and had to secure capital for the company, however much as an individual I might want to make that the first consideration, my ability as a director to get capital in order to give employment to labor in that industry would depend upon my ability, my being able to show that a reasonable return upon that capital could be expected. If I could not show such a reasonable prospect I could not hope to secure the capital which would be necessary in order to develop the business.

Commissioner GARRETSON. And has a business a moral right to exist, an enterprise, unless it can support its employees in human style?

Mr. ROCKEFELLER, Jr. Just because I believe with you there I stated that if it could not do that and make a return to capital the alternative would be to go out of business.

Commissioner GARRETSON. That is the only legitimate thing to do. Does not business itself in dealing with business fully recognize that idea? To illustrate, you as a coal merchant won't sell coal to a railway company or a business enterprise whose balances are all written in red for any less money than you will one paying 85 per cent, will you?

Mr. ROCKEFELLER, Jr. No.

Commissioner GARRETSON. You referred, when you first came on the stand, when you were asked regarding labor troubles, the necessity of strikes taking place—you referred to the Lackawanna Railroad. Did you refer to the trouble between that road and its train and engine men in 1910?

Mr. ROCKEFELLER, Jr. That was what I had in mind. I did not know the exact date.

Commissioner GARRETSON. Are you aware of the fact that that never came to a strike; that 15 minutes before the strike was set a settlement was reached, and consequently the men did not quit?

Mr. ROCKEFELLER, Jr. I probably was at the time. But it had slipped my mind. I knew there were troubles brewing, at least.

Commissioner GARRETSON. That is all.

Chairman WALSH. Mr. Ballard would like to ask you some questions.

Commissioner BALLARD. Mr. Rockefeller, do you believe the person in hiring help, domestic help or otherwise, in the private family, has a right to inquire about the character, and so forth, of the help that may apply for work?

Mr. ROCKEFELLER, Jr. I think it is essential that they should so inquire.

Commissioner BALLARD. Do you believe that a person in the profession of law, for instance, has the same right to inquire about the past record and opinions of those who apply to him for positions?

Mr. ROCKEFELLER, Jr. I should think so.

Commissioner BALLARD. Don't you think that same privilege should be accorded to those in industries?

Mr. ROCKEFELLER, Jr. I do not see why they should be differentiated against.

Commissioner BALLARD. We have heard a great deal of the great high-sounding phrase that workmen have a right to organize for their own protection. I think no one—I do not think you have ever stated anything that would indicate that you do not approve of that.

Is not that a very different thing from a union sending paid organizers and agitators into camps for the express purpose of making the men discontented and inducing them to organize a union?

Mr. ROCKEFELLER, Jr. It would seem to me entirely different.

Commissioner BALLARD. The habits and customs and relationships in the coal mines in Colorado are not very different from other coal mines in the outlying districts, are they?

Mr. ROCKEFELLER, Jr. I have assumed they were very generally the same.

Commissioner BALLARD. I understood you to say in your direct testimony that in the outlying districts where men started to build, to develop mines, it was necessary to build houses and to have doctors and to build schools, because there were none in that district. And I also understood that as time went on and those developments increased, then the public could take them over themselves and handle them. There is no objection to that in Colorado, is there?

Mr. ROCKEFELLER, Jr. I should say there should never be objection to that, and the time at which that transfer is made should be reached as rapidly as possible.

Commissioner BALLARD. Something has been said about directors' responsibilities and stockholders' responsibilities. Don't you think that the whole country has been educated, has been undergoing very considerable change in the last few years as to the duties and responsibilities of employers toward their labor?

Mr. ROCKEFELLER, Jr. I am glad to say that I do think so.

Commissioner BALLARD. That is, the employer and the employing class are willing to establish and to extend the helping hand to the laborer wherever they can?

Mr. ROCKEFELLER, Jr. In every way.

Commissioner BALLARD. The chairman suggested the other day that might it not have been better to distribute all the profits in the Colorado Fuel & Iron Co. to the workmen rather than to receive them partly in the form of profits or dividends, and let the workmen enjoy them in their own way. Could that have been better than to have received them and then to have established foundations and to give educational institutions an authority which would be permanent and continuously benefit mankind?

Mr. ROCKEFELLER, Jr. I should not think it would, Mr. Ballard.

Commissioner BALLARD. Is there any law in the State requiring publicity of foundations and trusts of that kind.

Mr. ROCKEFELLER, Jr. Not in the State of New York, that I know of.

Commissioner BALLARD. It has been brought to your attention, of course, during the investigations of this foundation and this work that this commission is making studies of that kind. Would you be willing to receive suggestions from this commission and give them serious consideration if the commission came to any conclusions that might add to the permanent welfare and benefit of the public through your foundation?

Mr. ROCKEFELLER, Jr. As I said yesterday with reference to the industry in Colorado, in so far as our relationship is concerned, I not only would welcome but I would invite any suggestions, and the same would be equally true with reference to the foundation.

Commissioner BALLARD. That is all.

Chairman WALSH. Commissioner Commons would like to ask some questions.

Commissioner COMMONS. Mr. Rockefeller, would it be advisable in a large corporation to have a director whose business it should be to give his attention to the labor conditions? I understand that some corporation has chosen Mr. Neill, who was formerly Commissioner of Labor, whose special duty it is—I

don't know whether he is a member of the board of directors or simply a subordinate—

Chairman WALSH. He said he was a member of the board of directors.

Commissioner COMMONS. A member of the board of directors?

Chairman WALSH. That is the testimony.

Commissioner COMMONS. The essential thing is he does not report to the executive officers, he reports to the directors. Did you ever consider whether that would be a useful way in which the directors themselves could have information apart from that which would come up to them from the superintendents and general managers?

Mr. ROCKEFELLER, Jr. The matter had not been brought to my attention, but as you present it I should think it was an excellent idea.

Commissioner COMMONS. I do not intimate that it should be a person connected with labor at all.

Mr. ROCKEFELLER, Jr. I understand.

Commissioner COMMONS. But a person selected with reference to his especial aptitude for making that class of investigations and keeping the company informed on those things. You feel that would keep the directors informed in ways that would be valuable in carrying out a scheme of this kind that has been installed?

Mr. ROCKEFELLER, Jr. It would seem to me very applicable.

Commissioner COMMONS. That is the only suggestion I have.

Chairman WALSH. Did you have some questions, Mr. Weinstock?

Commissioner WEINSTOCK. Yes.

The question has been raised, Mr. Rockefeller, about the wisdom of using surplus along the lines of foundation work, and as to whether it would not have been better to take this surplus and use it in the way of a higher wage. Now, I do not know, of course, what is the policy of the Rockefeller enterprises on the Atlantic seaboard, but I do know what is the policy of the Rockefeller enterprises—the Standard Oil Co.—on the Pacific coast. So far as I know, the Standard Oil Co. on the Pacific coast pays the full standard wage, and in the matter of workmen's compensation, in which I happen to be interested as State commissioner, I do know that the Standard Oil Co. was one of the first companies to come in under the compensation law when it was voluntary, and that it has treated its injured workers with unusual liberality. Recently there was a case where an injured worker brought suit against the company, believing he could get more out of the courts than he could out of the compensation. The case was decided against him and in favor of the company. But, despite that fact, the company paid him the full compensation, not desiring to take advantage of a legal technicality.

Now, if the policy of your enterprises at this end of the continent are the same as they are on the Pacific slope, and the full standard wage is paid, and the workers are treated with every consideration, then this surplus rightfully belongs to the company, to the owner; and if he sees fit to use it in the manner in which it is being used—through foundations—can not a greater good be accomplished by that surplus treated as a unit than the same amount would accomplish if distributed in small amounts among a great many people? In other words, can it not in a concentrated form, if wisely and intelligently used, bring about a greater good to society than if scattered in very trifling sums among a multitude of people?

Mr. ROCKEFELLER, Jr. Mr. Weinstock, you speak of surplus. The opinion seems to have prevailed, in the discussion of the matter of the return which has come to my father on his investment in the Colorado Fuel & Iron Co., the opinion seems to have prevailed that the return was surplus belonging to the company. That is an entirely incorrect impression. What surplus there has been in the earnings of the company from year to year, as has been stated, has gone back into the company, either in the development of its properties or in increasing wages and in improving living conditions.

Now, this amount of money under discussion is not surplus. It is firstly the interest paid on a debt, the bonds which my father holds being the debt. The company has not anything to say, nor the public. I should assume, with reference to whether that interest should be paid on the debt or not. That is a question, of course, that is self-evident. A debt should be paid and its interest should be paid. If that interest were paid to some other bondholder than my father, we would concede the right that he should have the interest and do with the interest what he saw fit, whether it was to establish foundations or whatever he desired to do with it.

Now, the same is true with reference to the trifling amount which has been returned to my father as a dividend on the capital stock, and all of the other stockholders have been treated in the same way.

I want first to make clear that those returns are not surplus, they are, firstly, the payment to capital of interest on a loan, at a fixed rate agreed upon, and, in the second place, such return in a dividend upon the stock as the earnings of the company justified at the time the dividend was paid. I hope I have made clear that point.

To answer your specific question, no one raises the question as to what should be done with the bond interest paid to any of the other bondholders of the company, of which there are a very large number, nor what should be done with the trifling dividends that have been paid to such parties. They are at liberty, of course, to use that legitimate return in any way they see fit. Just because that return comes to my father, and because, in order to feed and clothe himself, he may not be dependent on that particular return, the impression seems to arise in the public mind that he should not keep it, as every other stock or bond holder does who has no greater right to it than he, but just the same right, simply because he does not need it. Why should he not throw it back into the hands of the public as he may think wise? I simply want to make the point that, it seems to me, the stockholders and the bondholders should all be conceded the same rights. So much preliminary to the answer to your question.

As to the relative wisdom of a bondholder or a stockholder using the return on his investment or his debt in voluntarily increasing a wage already as high as the standard average wage in the industry throughout the country, as regards the relative value of his doing that voluntarily, or putting that money in some, to his mind, useful public service, I should think that the latter course, under these particular circumstances, would be productive of a greater general public benefit. Because only when funds which are not required for the support of the owner exist in sufficient quantity is it possible to endow colleges, to establish hospitals, to build institutes of medical research, and to forward those kinds of work which need large aggregations of capital and which, if dependent upon the small giver for establishment, could hardly be expected to be established. Is my answer clear?

Commissioner WEINSTOCK. Yes; entirely so. In connection with the Colorado Fuel & Iron Co., Mr. Rockefeller, I have been endeavoring to reconcile certain figures, and they have confused me, and I would ask you to help me out in it and see if I can get the thing straightened. In your preliminary statement, among other things, you said, on page 6:

"Since we first acquired an interest in the Colorado Fuel & Iron Co., in 1902, the company has paid in wages to its employees over \$92,000,000. During the same period we have received dividends amounting to \$371,000 on our investment in the capital stock. Therefore our stock interest in the Colorado Fuel & Iron Co. has yielded a return of about two-thirds of 1 per cent per annum on the actual cash investment of about \$6,000,000."

Now, I understand your interests in that company do not exceed 40 per cent.

Mr. ROCKEFELLER, Jr. No.

Commissioner WEINSTOCK. That is, you own and control 40 per cent of the stock. But in looking over the reports that were handed me yesterday, the annual reports of the Colorado Fuel & Iron Co., I noted that the capital stock was \$36,000,000. Is that correct?

Mr. ROCKEFELLER, Jr. Why, I think it is; I am not sure.

Commissioner WEINSTOCK. Now, 40 per cent of \$36,000,000 would be equivalent to about \$14,400,000.

Mr. ROCKEFELLER, Jr. But you are figuring at par, Mr. Weinstock. This is the actual cash at the market price at which the stock was purchased.

Commissioner WEINSTOCK. I see. Now, what is the market value of that \$36,000,000?

Mr. ROCKEFELLER, Jr. It is constantly changing from day to day. I have no idea what it is to-day. But taking the different investments made in the stock from time to time as they appear on my father's books, it shows that he had spent \$6,000,000 in buying the stock at whatever the price of the stock might have been at the time of the respective purchases.

Commissioner WEINSTOCK. That is the stock, purely and simply, and nothing to do with the bonds?

Mr. ROCKEFELLER, Jr. Not in that transaction, nor has it anything to do with the par value of the stock. You see this statement does not indicate how many

shares of stock my father had. This simply says that he has invested \$6,000,000 in the stocks of that company. He may have paid \$75 a share for some, and \$50 a share for some. I do not know, but that is the way it stands.

Commissioner WEINSTOCK. If he had bought at par value, he would have one-sixth and not 40 per cent? He would have \$6,000,000, or one-sixth of \$36,000,000?

Mr. ROCKEFELLER, Jr. Yes, sir.

Commissioner WEINSTOCK. So evidently he must have bought a good deal of it below par value?

Mr. ROCKEFELLER, Jr. I have never known the stock to be anything approaching the par value. And, as I showed in the subsequent statement, the investment stands my father to-day, at the present market price, a number of millions of dollars of loss.

Commissioner WEINSTOCK. Now, in common with myself, you probably have heard and read the statement made broadly by anticapitalistic advocates that in industry, under our present system, capital gets the lion's share of the production and labor gets the small end. Haven't you heard those statements made and seen them written?

Mr. ROCKEFELLER, Jr. They have a familiar sound.

Commissioner WEINSTOCK. Yes. In fact, I have heard the statement made at public gatherings that under our present system of production labor gets not to exceed 10 per cent of the production and capital gets the remaining 90 per cent. Now, in looking over the figures that have been presented here I find these facts—I will not vouch for their accuracy; I think they are approximately correct, and for the information of the commission and for part of our record I am sure we would appreciate it if you would be good enough to have your office go over these approximate figures and verify them and make them as accurate as possible so we may have them as part of our proceeding.

(See Rockefeller, jr., Exhibit No. 4.)

I find from the annual reports that I looked over yesterday that the gross earnings from 1902 to 1914 of the Colorado Fuel & Iron Co., the gross earnings were \$241,000,000, in round figures. The pay roll, according to the statement made here, during that period was \$92,000,000, and the amounts paid out for interest, dividends, and reserves, as taken from your annual report rather hurriedly, aggregate in round figures \$24,000,000. That means this, that for every dollar received by the Colorado Fuel & Iron Co., 38 cents was paid to labor, nine and a fraction cents was paid to capital as interest, dividends, and reserve funds, and that fifty-two and a fraction cents on the dollar was used for all kinds of other expenses like taxes, insurance, depreciation and betterments, etc. If these figures are correct, and I think they are substantially correct, this would indicate that labor has gotten four times as much out of the industry as capital has.

Mr. ROCKEFELLER, Jr. And may I suggest, Mr. Weinstock, that to make that statement quite complete, it ought to be indicated that a large part of that 9 cents—was it 9 cents that capital got?

Commissioner WEINSTOCK. Yes; nine and a fraction cents.

Mr. ROCKEFELLER, Jr. (continuing). Was payment of interest on debt. It was not a profit, because the bond interest is the very large charge there.

Commissioner WEINSTOCK. Yes; the bond interest. I think I have those figures here—

Mr. ROCKEFELLER, Jr. (interrupting). I think the total dividends that have been paid in that company to all the stockholders have been under a million dollars.

Commissioner WEINSTOCK. The bond interest was \$17,673,000; the amount put into reserves was \$5,780,000; and the dividends were \$2,060,000.

Mr. ROCKEFELLER, Jr. Well, now, the \$17,000,000 of bond interest, of course, is simply paying interest on capital borrowed.

Commissioner WEINSTOCK. Yes; but still that would be capital's end of it.

Mr. ROCKEFELLER, Jr. Yes; but it is not profit.

Commissioner WEINSTOCK. No; it is not profit.

Mr. ROCKEFELLER, Jr. The \$5,000,000 that has gone into reserves, my understanding is, is simply to preserve the integrity of the mortgage and provide for its retirement. So that that \$5,000,000 is simply related to the payment of interest on the debt and keeping the debt—to keep it in perfect condition. The \$2,060,000 is the return on the capital invested.

Commissioner WEINSTOCK. You explained also in this statement, Mr. Rockefeller, that since the strike has been declared off in Colorado the company is

organizing a system whereby the men will be afforded a hearing through their own committee. Now, specifically you say this:

"With reference to my attitude toward labor unions, I believe it to be just as proper and advantageous for labor to associate itself into organized groups for the advancement of its legitimate interests as for capital to combine for the same object. Such associations of labor manifest themselves in promoting collective bargaining, in an effort to secure better working and living conditions, in providing machinery whereby grievances may easily and without prejudice to the individual be taken up with the management."

Now, is it contemplated that this joint committee that has now been appointed representing the employers on the one hand, the workers on the other, shall not only deal with grievances, but shall also enter into collective bargaining? Can you give us any information on that particular point, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. As I have undertaken to indicate, Mr. Weinstock, this plan in its present form is as far as the officers and the men have developed it at this moment. I assume that it is the purpose of the officers to add to the plan and to develop it in cooperation with the representatives of the men just as rapidly and along just such lines as the experience in the working of this part so far agreed on shall indicate to be wise; and that it will include collective bargaining is certainly one of the possibilities. I have no information as to the thought in the mind of either the officers or the men as to what further development there may be.

Commissioner WEINSTOCK. That is all, Mr. Chairman.

Chairman WALSH. At this point we will stand adjourned until 2.30 o'clock this afternoon, instead of 2 o'clock.

Will you kindly resume the stand at 2.30 o'clock, Mr. Rockefeller?

(Thereupon, at 12.35 o'clock of this Wednesday, January 27, 1915, a recess was taken until 2.30 o'clock p. m.)

#### AFTERNOON SESSION—2.30 P. M.

Chairman WALSH. The house will be in perfect order and we will proceed with the inquiry.

Mr. Rockefeller, will you kindly resume the stand?

#### TESTIMONY OF MR. JOHN D. ROCKEFELLER, JR.—Continued.

Chairman WALSH. Commissioner O'Connell says he would like to ask you a few questions.

Commissioner O'CONNELL. Mr. Rockefeller, I want to ask a question in connection with this proposed investigation, this industrial investigation. I want to state very frankly I know of no work in which you might be engaged that would bring greater results to the entire populace of the country than a work of that character. I am intensely interested in knowing with what thoroughness the investigation is to be made; whether it is simply to be an academic investigation and then pass off, or whether there is to be represented in that investigation men of scientific knowledge, men with practical knowledge. I should like very much and I am sure the commission will be interested to know just what the plan is or who will be associated with the investigation that is to be undertaken.

Mr. ROCKEFELLER, Jr. Mr. O'Connell, that question in substance, I think, was one the questions in one of the questionnaires. I am glad to have this further opportunity of answering it.

Commissioner O'CONNELL. Yes. I read the answer in the questionnaire, but I think it might be elaborated a little to enlighten us all.

Mr. ROCKEFELLER, Jr. I have taken a good deal of the time of the commission during this examination in explaining somewhat fully the method which has led to the development of several of the activities which have been discussed here. I took time yesterday to speak of the development of the idea of the Rockefeller Institute of Medical Research, how that it started with a group of able scientific men into whose hands, without any suggestion or restriction, was put a limited sum of money, and how the whole thing has developed from that beginning of \$200,000, without any suggestion as to the line to be followed, into the present Rockefeller Institute of Medical Research. That is only typical of the method which has always been my father's method in developing any such work, and it is the method which the directors of the Rockefeller Foundation propose to follow in connection with this study of industrial rela-

tions to which you refer. The purpose is to select the ablest men whom the directors can find for a work of that kind. And with that in mind Mr. MacKenzie King was selected.

Now, it would be quite contrary to the policy of the board, quite contrary to what I think the views of the members would be as to the way to get results, were the board to undertake to make any plans or any suggestions to Mr. King as to what methods, what line, what process he should follow in making this study. We leave ourselves entirely in Mr. King's hands. He is absolutely free to develop the investigation along any line that seems to him to be in the public interest. To answer more specifically, the foundation would have no interest in such an investigation or in any investigation which it did not believe eventually might give promise of resulting in some large or small contribution to the general well-being of the people at large. That is the goal, a very practical goal. But the merely scientific investigation, an academic study, simply the collating of facts would not seem adequate or satisfactory or sufficiently worth while to the board of directors of the Rockefeller Foundation. Their hope is that under Mr. King's leadership something that will appeal to the labor interests of the country, to the capitalistic interests of the country may result. If it does not appeal to both of those groups, if the result of the study is not something practical that both desire to try and may find to work, that is the end of it; nothing will have been accomplished.

Commissioner O'CONNELL. Then I take it from that that some thought has been given by your board to the fact that there is some industrial unrest existing in the country; that there is some fundamental difference between employer and employee in the country; following that up, this commission is instructed by act of Congress to investigate the underlying causes of industrial unrest. I am sure this commission and myself personally, and I think the public generally, would be glad to know what you consider to be the underlying causes of industrial unrest. You are engaged in a large way in employing people, you have to do with big things financially, you have your board, and you have given notice to the world that you are going to make an investigation of this kind, and some thought must have been given to it, and I am sure that this commission would appreciate your experience and what you believe to be the underlying causes for industrial unrest.

Mr. ROCKEFELLER, Jr. With all men who are interested in the highest and best interests of their fellow men, I have been conscious of this spirit of unrest to which you refer. As made plain in my statement made at the outset of the inquiry, the difficulties which developed in Colorado emphasize in a concrete way that spirit of unrest, and as stated in that same paper, the developments there led me to feel the great importance of undertaking, in as far as I might be able through any influence I might have, to contribute toward a discovery of the underlying facts of which you speak. Now, if I had myself known those facts, or felt that I was myself capable of discovering them, I should have in the one instance made an utterance as to my views, if I thought that would be helpful or would, in the other instance, have proceeded to make a personal study. But, as I felt that one trained to investigate, with broad experience on the human side of the problem and having represented the people's interest, would be far better able than I to make such a study, with a reasonable measure of hope that results would eventuate, I was glad to use my influence as a director of the Rockefeller Foundation in urging upon the foundation that it should enter upon such a study, and I am utterly incapable, Mr. O'Connell, of venturing an opinion as to the causes of this unrest.

Commissioner O'CONNELL. Just one other question, please, and this will probably be answered in the other. In my opinion a large part of the struggles that have occurred between employers and employees is caused by the fact that they do not meet each other and do not get together; that there are no means taken to bring them together, and as a result of that differences arise, strikes and lockouts, and all that sort of thing. Do you believe that if the Government established a board—a national board—with authority to investigate, with the natural influences of the Government attached to it, that, for instance, this commission has, that would stand as a permanent institution for the purpose of mediating, adjusting, and facilitating the adjustment—nothing compulsory about it, but purely voluntarily—of such differences, that an institution of that kind might have a considerable influence in minimizing the differences that may arise between employer and employees?

Mr. ROCKEFELLER, Jr. I fully agree with your first statement and I make it even broader than you have, that most of the differences in life are the result



of misunderstanding, simply because we do not know each other. If men and women could get closer together and talk face to face, I think there would be vastly less misunderstanding and unrest. I think anything which leads toward that end would be very helpful. As to your direct question regarding the efficiency of such a national organization, I hardly feel that I could express an opinion which would be of any value on that matter.

Chairman WALSH. Commissioner Lennon would like to ask a few questions. Commissioner LENNON. Mr. Rockefeller, you have been—you have not yet heard as to any of these subjects which were discussed between the managers in Colorado and the committee of 25, have you?

Mr. ROCKEFELLER, Jr. Not yet; no, sir.

Commissioner LENNON. Well, if a deadlock should arise in a conference of that kind, would either party—would the representatives of labor have the right to appeal to the directors of the company?

Mr. ROCKEFELLER, Jr. I have tried to make clear, Mr. Lennon, that this plan which I have stated I am advised has been entered into by the officers of the Colorado Fuel & Iron Co. in cooperation with the representatives of their men, is in a formative stage. These different points have been mutually agreed on. I think it seems but natural that the further development of the plan will best be worked out by the two parties in interest, as they consider in this friendly spirit of contact their mutual interest, and I would be unable to prophesy as to what further steps might be taken; but I should feel sure that both sides would be anxious to have their views meet in planning for what would be in the common interest.

Commissioner LENNON. Well, if such agreement as to methods of appeal has not been arrived at yet—has not reached that development—do you believe that a matter of that character would be conducive to peace in the industry—that if the workmen were dissatisfied and a deadlock ensued that they would have a right of appeal to the board of directors and bring the matter up to headquarters?

Mr. ROCKEFELLER, Jr. My personal opinion is that it would be entirely advisable that they should feel perfectly free to lay their case before the directors, and I should feel that the officers would be entirely glad to have them do so.

Commissioner LENNON. Are you aware of the fact that in industry one of the great causes of unrest is the fact that the laboring people have to meet with only the representatives and not the employers themselves, and that the working out of this plan so that they could reach the directors, if that could be arrived at, possibly some of that unrest might be eliminated?

Mr. ROCKEFELLER, Jr. I think that is quite in line with the suggestion made by Commissioner O'Connell, and I think it would help very much to increase and advance mutual understanding if there was contact between the representatives of the men and the directors. I should think it would be desirable, and I hope, Mr. Lennon, when I go to Colorado as a director that I may be so fortunate as to be able to meet with the representatives of the men.

Commissioner LENNON. I want to ask one question regarding the foundations. Should the legislature enact some law that had a bearing on the foundation, amending the charter and its operations to an extent that was entirely unsatisfactory to the trustees, how could the fund be distributed? What would then become of the foundation itself? Would it go on as a personal institution or would the trustees probably distribute the money?

Mr. ROCKEFELLER, Jr. Of course, there, it is only a question of opinion—a guess, and your guess would be as good as mine, but I should think that the State, through its legislature—any amendments which it felt were in the interests of the public, the directors at the time would, of course, acquiesce in. I think it would be their duty to express their views as to the advantage or disadvantage of the proposed amendment, but if it passed, to most cordially cooperate in operating thereafter under the amendment. In the event of the charter being rescinded, the fund would, I understand, pass into the hands of the State, to be controlled by the legislature or some court, and as would be customary, to be used for such purposes within the judgment of either of those bodies as would most nearly relate themselves to the charter purposes of the organization.

Commissioner LENNON. This point I want to get at: Is it your understanding that under the law, if the charter is recalled, that the fund then comes under the control and power of the State?

Mr. ROCKEFELLER, Jr. I understand that is the law with reference to any such foundation.

Chairman WALSH. That is all, Mr. Rockefeller. You may now be excused permanently; thank you.

Mr. ROCKEFELLER, Jr. Mr. Chairman, may I express to you and the other members of your commission my great appreciation of your courtesy and patience? I fear I have tried the patience of the entire commission in my efforts to answer in a clear and accurate way the questions which have been put with reference to these very important matters that have been under consideration.

I greatly appreciate the courtesy that has been shown me, and I want to repeat what I said the other day, that I am anxious to avail myself of any suggestions that the commission may feel disposed to make with reference to any of the matters under consideration, and that I very much hope that as a result of this full and patient hearing which you have accorded me, there may be developed a better understanding among all the parties at interest in connection, not only with this general western situation, but the general questions that have come up, and that as a result a real improvement may be forthcoming in this general situation.

Chairman WALSH. Thank you, Mr. Rockefeller. That will be all [Applause.] Any person that gives any audible expression will be asked to retire. Dr. Allen.

#### TESTIMONY OF DR. WILLIAM H. ALLEN.

Chairman WALSH. Will the house please be in perfect order?

Please state your name.

Dr. ALLEN. William H. Allen.

Chairman WALSH. Where do you reside, Mr. Allen?

Dr. ALLEN. In this city.

Chairman WALSH. What is your business, please?

Dr. ALLEN. The promotion of public knowledge of public business.

Chairman WALSH. What positions have you occupied here or elsewhere? Please state and describe what your field of activity has been, Dr. Allen.

Dr. ALLEN. My last work has been jointly directing a survey of the University of Wisconsin. Prior to that I was director of the Bureau of Municipal Research of New York and of the training school for public service. Prior to that, general agent of the New York Association for Improving the Condition of the Poor; formerly the secretary of the New Jersey State Charity Aid Association; and prior to that, instructor at the University of Pennsylvania.

Chairman WALSH. What were you doing at the time you were invited to assist in this study that the commission is making?

Dr. ALLEN. Completing a survey of the University of Wisconsin.

Chairman WALSH. How did you come to participate in this work?

Dr. ALLEN. I received a long-distance telephone from Chicago, and was asked to meet Mr. Manley, who was in charge of public hearings, had a conference with him there, after which a formal invitation to participate was extended.

Chairman WALSH. Please give your instructions as to the scope and method of the study that you were to make and that the commission is to make upon this subject, Dr. Allen?

Dr. ALLEN. We were asked to learn the names of the principal foundations, particularly those bearing nationally, to learn and state their purposes, their powers, financial and legal, their methods of operation, results so far as could be obtained in the limited time; questions arising with regard to their method of operation, powers, and results, and get as quickly as we could through the questioning of witnesses and examination of records any constructive suggestions that might seem serviceable at this time.

Chairman WALSH. I wish you would state now who has been asked to testify and give the nature of the questions asked the foundations or individuals to be questioned.

Dr. ALLEN. The foundations it seemed feasible to get information about in a short time were the various Carnegie Foundations, the Carnegie Institute at Washington, the Carnegie Foundation for Advancement of Teaching, and certain facts as to the hero fund and the peace fund, and the Carnegie Corporation; the Sage Foundation, the American Scandinavian Foundation, the Cleveland Foundation, and the three Rockefeller Foundations, so-called Rockefeller Foundations, the Rockefeller Institute for Medical Research, and the General Education Board. The method that has been used—

Chairman WALSH. First—well, if you are still on the subject you may proceed.

Dr. ALLEN. I was going to say, we have written to the officers of these various corporations asking first for a constitution and by-laws, articles of incorporation, their officers, their securities, the powers as defined, programs as defined in their various publications. These have been followed up by questions, generally in installments, based upon a study of these first returns as to legal powers and financial status. In several instances there have been visits to the offices of these corporations. Mr. Manly has interviewed Mr. Carnegie and there have been visits to the Carnegie Foundation, the General Education Board, examinations of documents, follow-up letters to individuals and to officers based upon the examination of documents and answers to questions. So far as possible we have tried to establish facts in cases where allegations have been made through the press and by letter or orally to the commission with regard to the foundations, and the type of questions asked was fairly well illustrated in several of the questions asked this morning. Who the officers are, what the interlocking of directorates, as these groups, Carnegie-Rockefeller group, or as between groups, and the questions have gone further into the relation of these different groups and the outside bodies which they have given funds to or have investigated.

Chairman WALSH. I asked you, I believe, to give the names of the witnesses who have been asked to testify.

Dr. ALLEN. For the Carnegie group, Mr. Carnegie and the president of the Carnegie Foundation for Advancement of Teaching, President Pritchett. For the General Education Board, executive secretary, Mr. Buttrick; for the Sage Foundation, Mr. Glenn, a director; for the Cleveland Foundation, President Goff.

Chairman WALSH. In a general way, what is the Cleveland Foundation?

Dr. ALLEN. The Cleveland Foundation is different from any of the others. It is a foundation established by the Cleveland Trust Co., first, for securing gifts, by endowment or otherwise, in the hope of having a clearing house within the city, of information regarding what is needed by the city, so that those who give may be assured that their gifts will be directed to the need that is uppermost at the time that gifts become available.

Chairman WALSH. Have you illustrated enough to show the general nature of the study by concrete example?

Dr. ALLEN. You mean have we studied enough to furnish some illustrations?

Chairman WALSH. Yes.

Dr. ALLEN. I think so.

Chairman WALSH. Can you give us an illustration so that we can get the general drift of it, and the different further witnesses that are called?

Dr. ALLEN. Well, the Carnegie Foundation for the Advancement of Teaching is an investigating body and at the same time a giving body. It gives—maintains a retirement plan for professors of colleges and universities. We have learned how extensive those retirement allowances are, and we are asking the question what the net result of the Carnegie allowances has been upon the independence of the universities, upon the interests and independence of the States that are relieved from paying allowances because of the Carnegie allowances; the extent to which other divisions of public education have been provided with an allowance has been through secondary schools and the normal schools, etc.

With regard to the investigations the Carnegie Foundation, for example, has made an examination of the public schools of Vermont. We have attempted to ascertain the nature of the findings, how the study was outlined, how it was supervised, how the results were checked, whether the findings were submitted to the officers whose work was described by the foundation, what steps were taken to come into agreement as to facts before publicity, and what constructive suggestions were made and how far they were carried out.

Chairman WALSH. Briefly state what effect in your opinion has the teaching of political economy upon the first-hand, everyday, industrial life thereafter. Are studies of labor being made in all of those departments?

Dr. ALLEN. You mean, now, within the colleges or within the foundations?

Chairman WALSH. Within the colleges.

Dr. ALLEN. Within the colleges. Because of the men turned out from a college or university, especially because I know extension work that may be done within colleges or universities. It is possible through imparting information and teaching methods of examination to make a university or college a

center for study and a center for propagating interest in a sense of justice regarding labor questions. It is possible, of course, and perhaps the most important relation can be found up to date in the effect of such studies upon the governmental agencies with which universities may establish contact and for which they may furnish men.

Chairman WALSH. Could you suggest, Doctor, what constructive results may be hoped to be accomplished by this particular study of foundations?

Dr. ALLEN. So far as our instructions are concerned as to who are to make investigations, we have been asked to look into the powers granted to great foundations, to see whether or not that power should be more clearly defined in acts of incorporation. If the inquiries develop that during these hearings facts which would lead the commission to feel that as yet the powers of foundations have not been adequately limited or defined, it would be an important next step for Congress, for legislatures, to consider how to prescribe the relation between the general public and those who establish and conduct foundations.

With regard perhaps to the publicity that shall be given to the working of foundations, it was thought even from the studies that have been made and from the testimony that has been heard to date that perhaps constructive suggestions, easy to carry out, can result from this study.

With regard to the inspection studies of the holding of foundations accountable through some State or national department, in effect, licensing, such as one of the witnesses this morning has suggested, it may be testimony will suggest that it would be of great help to the work that the foundations do and a great protection to the public if there is somebody representing the public that is permanently responsible for the use made of powers, financial and legal, by the various foundations.

Chairman WALSH. Now, you have made studies during your connection with this commission and have discovered many facts bearing upon the general topic; that is, the attitude of certain groups of people toward the foundation and their attitude toward certain groups, and the light that would grow particularly, dropping into the line of the foundations that would disclose these facts, and I will ask you, Doctor, at this time, to put off the further giving of your evidence until after we call some other witnesses. I just want you to know that you will be called upon to give all of these facts growing out of your studies. That will be all for the present.

Mr. Ivy L. Lee.

**TESTIMONY OF MR. IVY L. LEE.**

Chairman WALSH. State your name, please.

Mr. LEE. Ivy L. Lee.

Chairman WALSH. What is your business?

Mr. LEE. I am a member of the personal staff of Mr. John D. Rockefeller.

Chairman WALSH. How long have you been a member of the staff of Mr. John D. Rockefeller?

Mr. LEE. Since January 1, 1915.

Chairman WALSH. And what was your business prior to that time?

Mr. LEE. I was executive assistant of the Pennsylvania Railroad Co.

Chairman WALSH. What were your duties as executive assistant of the Pennsylvania Railroad Co.?

Mr. LEE. Well, Mr. Chairman, the Pennsylvania Railroad has a book of organization which describes the duties of each officer, and, as near as I can recall it, my duties were described about as follows: The executive assistant shall perform such duties as may be assigned to him by the president, vice presidents, or the board of directors.

Chairman WALSH. Just what duties were assigned to you?

Mr. LEE. I had general charge of the publicity department of the company. I also performed a great many special assignments on behalf of different officers.

Chairman WALSH. Please state first what your duties were in the publicity department.

Mr. LEE. Mr. Chairman, the theory of the Pennsylvania Railroad was that it was desirable that the public should be fully informed concerning its various activities. It was in a general way my duty to keep in close touch with the activities of the company and to advise with the officers as occasion suggested itself as to matters in which the public would be interested and as to how they should be made public. But I should also add that the feeling de-

veloped that publicity would pretty generally take care of itself providing the things to be made public were in themselves interesting and praiseworthy. Out of the functions of publicity grew the additional function of constantly studying the activities of the company, the activities which the company should undertake, with a view to making suggestions as to policies which should commend themselves to an enlightened public opinion.

Chairman WALSH. When you found them out, what did you do?

Mr. LEE. Those were suggested to the officers in different departments, and if they approved the suggestion it was carried out.

Chairman WALSH. That is, you gathered what you thought would be interesting facts and praiseworthy facts, I believe you stated, and then submitted them to the officers, and if they approved did you write them for distribution?

Mr. LEE. Oh, no.

Chairman WALSH. Then I did not understand you.

Mr. LEE. What I said was, I suggested to officers as occasion developed any policies which it seemed to me the company should undertake in addition to those it already had, which would commend themselves to an enlightened public opinion. My feeling was that the writing of the facts and the actual routine of the publicity were matters that would pretty likely take care of themselves.

Chairman WALSH. Then you did not write anything about the policy, did I understand?

Mr. LEE. Oh, yes.

Chairman WALSH. Well, what did you do?

Mr. LEE. I did not catch that.

Chairman WALSH. Just describe what you did then with the same policies you discovered, you thought, and told them to the management, and then what was done.

Mr. LEE. I assisted constantly in the preparation of material to be given to the press.

Chairman WALSH. Did you write the material yourself?

Mr. LEE. A good deal of it. Some of it was written by others, while many of the statements and much of the information given to the press by the Pennsylvania Railroad I had nothing to do with writing.

Chairman WALSH. Was it under your general charge?

Mr. LEE. Yes.

Chairman WALSH. Did you pass on it before it was given to the press?

Mr. LEE. Not if it had been previously passed on by some officer of superior authority.

Chairman WALSH. Well, now, what officer would you say in the Pennsylvania organization had that authority?

Mr. LEE. Well, certainly the president and vice presidents and the general manager. I should like to answer your question more comprehensively, but I am afraid I could not; I would not mean to assume I was superior in authority to officers other than those.

Chairman WALSH. Very good. So much for the publicity. Now what were the other duties that were given you outside of the publicity department?

Mr. LEE. I should say I had many special assignments.

Chairman WALSH. Of what nature generally? I do not want specific assignments, but what was the nature of your general assignment outside of the publicity department?

Mr. LEE. In a general way, my job was to study the activities of the company; to criticize at any point where it seemed to me criticism was deserved; to bring, if I could, a somewhat detached viewpoint to the service of the railroad, in order that the viewpoint of a layman might be obtained with reference to the various policies of the company.

Chairman WALSH. Prior to your employment by the Pennsylvania—how long were you in the employment of the Pennsylvania Railroad?

Mr. LEE. I was in their employment twice; the last time for a period of somewhat over two years, I think. Before that I had acted for three years as general manager in Europe for a banking house, and before that time I had been connected with the Pennsylvania for several years.

Chairman WALSH. What was your general connection with the banking house—was it in the publicity business?

Mr. LEE. No.

Chairman WALSH. In the interval between the time that you worked for this road what did you do? You say you worked for them twice. Was it in the interval you worked for the banking house?

Mr. LEE. Yes; for three years I had charge of the business of this firm in Europe.

Chairman WALSH. Have you ever been in the newspaper business?

Mr. LEE. Yes.

Chairman WALSH. As a reporter?

Mr. LEE. Yes.

Chairman WALSH. Upon what papers?

Mr. LEE. I was on the New York Journal, as it was then called, now the American; the New York Times, and the New York World.

Chairman WALSH. When were you first approached in regard to undertaking the publicity work in connection with the strike in the coal fields of Colorado?

Mr. LEE. Mr. Chairman, if you will permit me, I will tell you the whole story of the Colorado publicity and perhaps save your time.

Chairman WALSH. Very good.

Mr. LEE. It was about the last of May that Mr. Rockefeller, jr., asked me to come to see him.

Chairman WALSH. Had you ever met him before?

Mr. LEE. No.

Chairman WALSH. Do you know how he came to ask you to come?

Mr. LEE. I do not.

Chairman WALSH. That was May, 1914?

Mr. LEE. 1914; yes.

Chairman WALSH. The strike was going on then?

Mr. LEE. Yes; I understand so. Mr. Rockefeller asked me to come to see him. His first request was to know if I could suggest some one who could cooperate with his office and his associates in Colorado in getting the facts concerning the situation in Colorado before the public. We had quite a talk concerning the general situation. Mr. Rockefeller explained to me his very strong feeling that the public had wholly misunderstood his attitude and had misunderstood the essential attitude of the operators. We discussed various ideas, and I told him that so far as I was concerned I should be glad to think the matter over, and if I could suggest anyone to do this work for him I should be glad to do so. I went to St. Louis, I believe, the same afternoon; and while I was away Mr. Rockefeller had a talk, I understand, with the president of the Pennsylvania Railroad, and asked him if he could lend my services to him for the time being. Mr. Rea, I think, told Mr. Rockefeller that that would hardly be feasible, but that there would be no objection to my advising with him to such extent as would not interfere with my regular duties with the railroad. I then saw Mr. Rockefeller again, and told him that it seemed to me the first and most important feature of any plan of publicity should be its absolute frankness; that there should be no devious ways employed. It had been suggested to Mr. Rockefeller that it would be a good idea to advertise in the newspapers extensively his viewpoint on this subject. I advised him that that would be in the highest degree unwise, and that no money should be used in any way, directly or indirectly, to influence the attitude of the press on this subject; that if the operators had a story to tell they ought to tell it themselves, and tell it frankly, and tell it fully, so that everybody would know it was they who were telling it. Mr. Rockefeller fully agreed with this idea.

Then the question came up as to how this might be done. This was in the early part of June. The excitement in Colorado had died down somewhat. There was no newspaper interest in the subject at the time. It was quite obvious, therefore, that the newspapers would not print any information that would be given to them. And yet it was of the greatest importance, it seemed, that the true attitude of the operators, as they themselves understood it, should be made known to the public. I therefore suggested a plan which had been followed by the railroads in their propaganda for an increase of 5 per cent in freight rates, with the publicity in which case I had had the pleasure of having something to do. The plan there was to prepare abstracts of the more important material in hand and send it out from day to day to the newspapers, to Members of Congress, commercial bodies, to economists, and to anyone else who might have a reasonable interest in that subject, always sending it in the name and on behalf of the committee of railroad presidents which had the

matter in charge, declining at all times to pay anybody for the printing of it, sticking as closely as possible to the text of the material presented to the Interstate Commerce Commission. It seemed to me that the only way of getting before a considerable number of people in the country the essential facts of the attitude of the Colorado operators was to issue a series of bulletins of somewhat similar character.

I therefore asked Mr. Rockefeller to put me in touch, if he would, with the operators, and I suggested to him that anything that was put out should be in the name of the operators and on their full responsibility; for it was quite impossible for me to make an investigation of the conditions; and even if that had been possible and I should have put out anything in my own name it would have been of no value, for the people directly involved should be the ones to tell their story. Mr. Rockefeller then put me in touch with the committee of which Mr. Welborn was chairman. Various bulletins were prepared on the basis of information supplied to me by Mr. Welborn. I think that was in the latter part of June when the issuance of the bulletins began. I was unable to go to Colorado myself until my vacation period in August. Up to that time—

Chairman WALSH. What time in August?

Mr. LEE. I think it was the 3d or 4th, Mr. Chairman. Up to that time all the bulletins issued had consisted of extracts from material which had been published by some official authority or of material which I had sent to Mr. Welborn for his approval before putting it into type. In order that the typography might be as effective as possible, the bulletins were printed in Philadelphia, where my office was. In order, however, that the full responsibility for the bulletins should be placed upon the operators, the envelopes, addressed from a list prepared in my office in Philadelphia, and the bulletins were sent in separate packages to be inclosed in Colorado if they met the approval of the operators; and that policy was followed from beginning to end.

Chairman WALSH. Did you intend also, or was it any part of your intention, to convey the idea that they came from Colorado, that they were compiled in Colorado?

Mr. LEE. That thought never entered my mind. The essential point was that they should be issued by the operators. It would not have been in keeping with that thought if they had been mailed anywhere else.

Chairman WALSH. You may proceed.

Mr. LEE. Now, in October I went to Colorado, where I met a number of the operators, and had many conferences with the members of the operators' committee. One or two bulletins were prepared in Colorado.

Chairman WALSH. How long were you there in August?

Mr. LEE. I should say about three weeks; maybe four.

Chairman WALSH. Was publicity given to the fact that you were there and what your business was?

Mr. LEE. No.

Chairman WALSH. Proceed.

Mr. LEE. The reason for no publicity being given to my presence was that I was still acting in a purely advisory capacity and was in no sense an intermediary, represented no one, and was spokesman for no one. Therefore, for me to have injected my personality into the matter would have been to introduce a foreign note which would have been wholly unnecessary. As noted while I was in Colorado several additional bulletins were prepared after consultation with members of the operators' committee. Using extracts from the official documents, using material which was supplied me by the different operators—

Chairman WALSH. Just describe the material as you go along. That is, what it consisted of.

Mr. LEE. It consisted of statements, compilation of material—

Chairman WALSH (interrupting). Personal press notices?

Mr. LEE. Press notices and clippings and a great variety of matter which would naturally be called to my attention in such an undertaking. That plan was continued until along in October, I think it was, when we found a very great demand had grown up for copies of these bulletins, and we thought the wisest plan would be to reprint them in a small pamphlet, to include in addition to the bulletins a summary of the whole situation. The material for that summary was obtained from Mr. Welborn and Mr. Gove, one of the officers of the Victor American Co.

Chairman WALSH. That was in October?

Mr. LEE. The document was published in October. In order that even this compiled document should still be subject to the supervision of the operators' committee, after some hesitation I sent these documents out to Denver—

Chairman WALSH (interrupting). From where?

Mr. LEE. From Philadelphia—where they were all printed. It was a very expensive proceeding to send them out to Denver, but it seemed to me the responsibility should be definitely placed and that everything sent out in the name of the operators, should be sent out by them, so that everybody would know whence it came.

While these documents were en route I received a telegram from Mr. Welborn stating that there was an error in one of the bulletins, and asking if I did not think that this error should be corrected in the compiled pamphlet. I wired him, I think October 1, to the effect that the pamphlets had been shipped, but I suggested that an errata slip be printed in Denver and be inclosed with the pamphlets when sent out. I did not know what the error was, or anything about it. It never occurred to me that it was an error of any consequence. The error, as I afterwards learned, was one which was serious and unfortunate; that was, a mistake in stating the amounts of salaries which had been paid to union officers as being for a period of nine weeks when the amounts had actually been for one year.

Chairman WALSH. Who discovered that error?

Mr. LEE. My first knowledge of it was in this telegram from Mr. Welborn.

Chairman WALSH. And what was the date, your say—the 1st of October?

Mr. LEE. That was the 1st of October.

Chairman WALSH. That was about two months before the hearing of this commission in Denver?

Mr. LEE. I so understand. I assumed, of course, that this correction had been made. I knew nothing of the nature of the error, because the original matter on which this particular bulletin had been prepared consisted of an advertisement which had appeared in one of the Colorado papers, a copy of which had been given to me by Mr. Welborn.

Chairman WALSH. What paper was it, do you know?

Mr. LEE. I really do not know, Mr. Walsh, but I had no doubt of its authenticity. As I say, I knew nothing of the nature of the error which had been made, but sent this telegram as one would concerning any error which had been discovered. The next information that I myself had concerning the nature of the error was in the newspaper reports which I had seen concerning the hearing of this commission in Denver. As soon as I found out what had been done I again telegraphed Mr. Welborn my own view that a new bulletin should be issued correcting the error and any other errors that might have been made in the bulletins.

After sending that telegram I advised Mr. Rockefeller that I had sent the message, and he told me that he would like me to send a message in his name saying the same thing—saying that we felt that the cause for which the operators stood was sufficiently strong to be justified upon the basis of the facts and facts alone. In order that there might be no delay, and in order that the suggestion might be put in concrete form, as soon as I could find out just exactly what the situation was and what had happened I myself prepared an additional bulletin setting forth the fact that this error had been made, and stating the facts as we had ascertained them. I then recommended to Mr. Welborn that this new bulletin should be issued and that though the reason for a continuance of the propaganda had ceased a copy of that bulletin should be sent to every person who had received any of the others. Such a bulletin, I think, was issued about the 1st of January.

Chairman WALSH. That covers the whole situation?

Mr. LEE. That covers all that I have to suggest.

Chairman WALSH. Were any letters written to you either proposing or making arrangement for your going to Colorado?

Mr. LEE. I don't think so, Mr. Chairman. As I recall it, Mr. Rockefeller said during our first few talks that he thought it was desirable for me to go to Colorado as soon as I could to have a talk with the operators' committee in order primarily that they might understand his point of view and my point of view with reference to the policy of this publicity, and that we thought above all else it should be frank, open, and on the responsibility of the operators.

Chairman WALSH. Did any letters pass between you and Mr. Rockefeller before you went to Colorado?



Mr. LEE. Yes; I had many letters from Mr. Rockefeller between the date of my first relationship with him and the date I went to Colorado.

Chairman WALSH. With reference to the Colorado situation?

Mr. LEE. I don't think so, Mr. Chairman. I think all his letters were of a general character relating to—

Chairman WALSH. With reference to publicity?

Mr. LEE. I don't recall their nature.

Chairman WALSH. With reference to your employment?

Mr. LEE. May I ask what you mean by that question?

Chairman WALSH. With reference to your employment in the publicity line?

Mr. LEE. No; he had no occasion to write me any letter on that subject.

Chairman WALSH. Well, upon what subjects were the letters—you didn't know Mr. Rockefeller before?

Mr. LEE. No.

Chairman WALSH. Well, would you have any objection to just producing the letters themselves?

Mr. LEE. I will be very glad to show you all that I have.

(The letters referred to were subsequently submitted by Mr. Lee, but having no relevance to the work of the commission, it was not considered necessary to make them a part of the official records.)

Chairman WALSH. Did you have a discussion with Mr. Rockefeller before you went into employment as to what your duties were to be, any other than what you have already detailed?

Mr. LEE. None.

Chairman WALSH. When you went to Colorado you were sent there to publish the facts as given to you by the executive officers of the Colorado Fuel & Iron Co., or whom?

Mr. LEE. I was to get my information, and this work was to be done in co-operation with and under the supervision of the operators' committee.

Chairman WALSH. And Mr. Rockefeller told you to be sure to get the truth about the matter?

Mr. LEE. Certainly.

Chairman WALSH. Now, take the material they gave you in the form of newspaper clippings, did you ask them what newspapers they came out of?

Mr. LEE. I don't recall that the necessity of asking that question arose.

Chairman WALSH. Did they tell you that one of their attorneys owned a newspaper in Trinidad, that was giving very great publicity to one side of the case out there?

Mr. LEE. They did not.

Chairman WALSH. Did they tell you or did you know that any of their employees owned newspapers out there?

Mr. LEE. I did not.

Chairman WALSH. Did you ask them whether or not they were interested in any way in the newspapers that contained these clippings?

Mr. LEE. I did.

Chairman WALSH. What did they say?

Mr. LEE. They said they were not.

Chairman WALSH. Just detail now what steps you took to ascertain the facts before you wrote any of these articles—give us all of the steps.

Mr. LEE. I had no opportunity, Mr. Chairman, to ascertain the facts from my own point of view. I had to ascertain the facts as the operators' committee saw them. It was their story that I was to assist in getting before the public, and not my own.

Chairman WALSH. And, therefore, you did not question any fact that was presented to you, any alleged fact that was presented to you, as to its alleged authenticity?

Mr. LEE. Not when presented by Mr. Welborn or one of his committee.

Chairman WALSH. You were expecting to get as wide publicity as is possible for the case of the operators alone in Colorado, were you not?

Mr. LEE. I was expecting to get their point of view and their case as they saw it as definitely as I could before the largest number of people who would be apt to read it.

Chairman WALSH. I wish you would just describe now, when the material was handed you, that went into this book, what personal efforts you made to ascertain its accuracy or reliability.

Mr. LEE. None whatever, beyond what Mr. Welborn told me and the information that he and the members of his committee gave me. I took their

word as being given with the utmost good faith, and I still believe it was done with the utmost good faith.

Chairman WALSH. Did you make any attempt to secure the statements of disinterested persons?

Mr. LEE. I did not.

Chairman WALSH. Did you make any efforts to secure statements from the workers themselves or from the representatives of the labor unions?

Mr. LEE. I did not.

Chairman WALSH. Did you read the testimony that had been given before the congressional committee?

Mr. LEE. I did not read it all, Mr. Chairman.

Chairman WALSH. What part did you read?

Mr. LEE. I don't recall the part that I read. I read a considerable portion of it, because, to my mind, my effort was to assist the operators to tell their own story. I can not too strongly impress upon you the fact that it was the operators' story being told, and not mine.

Chairman WALSH. Did you read the testimony before the commission on the militia appointed by the governor of Colorado, Gov. Ammons?

Mr. LEE. I did not.

Chairman WALSH. How many copies of the bulletin were issued?

Mr. LEE. Approximately 40,000.

Chairman WALSH. From whom did you get your mailing list?

Mr. LEE. The mailing list was prepared mainly under my direction, Mr. Chairman.

Chairman WALSH. How was it prepared? Where did you get the names?

Mr. LEE. I suggested to one of my clerks that he get up a list containing the names of Members of Congress, of members of State legislatures, of the leading newspapers of the country, of the leading officers of the American Federation of Labor, of all of the officers I could obtain of the United Mine Workers of America, of all the other important labor leaders in the country, as well as a good many others. The idea was, and it was Mr. Rockefeller's idea, that the truth, as it was understood by him, and as it was understood by the operators, was sound; that we ought to make it known to the public; that if it was not sound, any publicity for it would clear it up; and we wanted everybody, the labor leaders, the press, and everybody else to get our point of view.

Chairman WALSH. Then, you assume the full responsibility, as I understand it, of securing the mailing list to whom these bulletins were to be sent?

Mr. LEE. I do.

Chairman WALSH. Who paid for the publication of the bulletins?

Mr. LEE. The Colorado Fuel & Iron Co. paid the bills I submitted to them.

Chairman WALSH. By whom were the bulletins printed—what printing house?

Mr. LEE. Beck Engraving Co., of Philadelphia.

Chairman WALSH. What did it cost?

Mr. LEE. I don't recall. I think Mr. Welborn testified all the bills were sent to him.

Chairman WALSH. Well, approximately the cost.

Mr. LEE. The only summary I have seen of the cost was the one which Mr. Welborn made, which I understand was \$12,000.

Chairman WALSH. Who paid for the mailing of the bulletins?

Mr. LEE. The same.

Chairman WALSH. What was the cost?

Mr. LEE. I really don't know, Mr. Chairman. I should be very glad to submit to the commission the entire detailed bills.

Chairman WALSH. You are now connected with Mr. Rockefeller's personal staff?

Mr. LEE. Yes, sir.

Chairman WALSH. Have you had occasion yet to read the record of the hearing before the congressional committee in this matter in Colorado?

Mr. LEE. I have not had occasion to read the entire record.

Chairman WALSH. Have you read the testimony given in Colorado before this commission?

Mr. LEE. I have not.

Chairman WALSH. Did you read the newspaper accounts of what purported to be the testimony given before this commission in Colorado?

Mr. LEE. Some of them.

Chairman WALSH. After acquiring any additional knowledge that you may have acquired I would ask you whether or not you consider this book, *Facts Concerning the Struggle in Colorado for Industrial Freedom*, fairly representative of the publicity of average corporations—large corporations?

Mr. LEE. I would not be able to answer your question, Mr. Chairman, but I would say that I believe the book represents the honest point of view of the operators' committee in Colorado, with the exception of the error which has been corrected.

Chairman WALSH. What arrangements were made in advance for the correction of any inaccuracies that might be discovered in the bulletins?

Mr. LEE. They were sent to Mr. Welborn in Denver not inclosed in envelopes, so that in the event that any corrections should be necessary they could be made before mailing. The inclosing and mailing was done under Mr. Welborn's direction, and the entire responsibility for getting them out was that of the operators' committee.

Chairman WALSH. Have you written publicity in labor disputes before?

Mr. LEE. Yes, sir.

Chairman WALSH. For coal companies?

Mr. LEE. Yes, sir.

Chairman WALSH. And you were acquainted with Frank J. Hayes?

Mr. LEE. No, sir.

Chairman WALSH. You knew who he was, that he was an executive officer of the United Mine Workers of America?

Mr. LEE. I don't think, Mr. Chairman, that I ever saw Mr. Hayes; that is, in connection with this.

Chairman WALSH. Or knew who the gentleman was?

Mr. LEE. Not as far as I remember.

Chairman WALSH. Was this advertising matter which you took—this material—did it show on its face what newspaper it came from?

Mr. LEE. I don't recall.

Chairman WALSH. I wish you would just state now. You actually wrote the pamphlet or bulletin yourself, did you not, or dictated it?

Mr. LEE. I suppose so. I do not recollect all of the bulletins, although I think I compiled all of them, and I went over them carefully.

Chairman WALSH. I wish you would state what appeared in the bulletin with reference to Frank J. Hayes, John R. Lawson, and Mother Jones with reference to their compensation and what the actual fact was that you ascertained afterwards.

Mr. LEE. The statement as given in the pamphlet covered the salary and expenses of these leaders of the union for what purported to be a period of nine weeks. I afterwards learned during the Denver hearings of this commission—and, as I say, it did not come to my knowledge before that—that the figures which purported to be for a period of nine weeks, were, as has been stated in the correction, for a period of one year.

Chairman WALSH. What would you say was the effect that that bulletin would have upon the reader?

Mr. LEE. I don't know; but I know the impression given me by the bulletin was a very exaggerated one of what I afterwards found to be the fact.

Chairman WALSH. What was your purpose in placing such information before the public anyway as to the amount of compensation they received from their own union?

Mr. LEE. That would involve a statement of Mr. Welborn's purpose, Mr. Chairman, which I have no opportunity of making.

Chairman WALSH. Did you ask him what was his idea in publishing those facts?

Mr. LEE. I did not. Mr. Welborn gave me this statement and suggested we put it in the bulletin.

Chairman WALSH. Didn't you think at the time that to put it in the bulletin would have a tendency to destroy the reputation and undermine the influence of such men and women in their own organization and in other labor organizations, and in the minds of the public generally—that they received such huge compensation.

Mr. LEE. It struck me that the figures were very large.

Chairman WALSH. Did you say anything to Mr. Welborn at the time.

Mr. LEE. I think I made the same remark to him.

Chairman WALSH. Did you ask Mr. Welborn whether or not the giving out of such a statement was not designed to injure the reputations of these people.

Mr. LEE. I do not think so; I think Mr. Welborn believed firmly that that statement was true.

Chairman WALSH. When was the accuracy of this particular statement first brought to your notice?

Mr. LEE. October 1

Chairman WALSH. By whom?

Mr. LEE. Mr. Welborn.

Chairman WALSH. October 1. And when did you take your first step to correct it?

Mr. LEE. That day.

Chairman WALSH. And when was the publication made?

Mr. LEE. The publication of a bulletin covering the whole subject was made on January 2, I think.

Chairman WALSH. I want to know when you first sent out the notice that that was an error that those people received any such amount of money.

Mr. LEE. I never sent out such a notice. The operators sent out such a bulletin on January 2.

Chairman WALSH. Did you write it for them?

Mr. LEE. I did. Now, Mr. Chairman, let us understand this, because it is very important to get this exactly correct. Mr. Welborn called to my attention by telegram on October 1, as I have stated, that an error had been made. He did not state the nature of the error, and asked that if I did not think the pamphlet should be corrected. I telegraphed him that the pamphlets had been sent to him at Denver and suggested that he have a slip printed in Denver, correcting the error.

Chairman WALSH. Will you please submit those telegrams to the commission?

Mr. LEE. I should be very happy to do so.

Chairman WALSH. That date was about October 1?

Mr. LEE. Yes, sir.

Chairman WALSH. Were you aware of the fact that about that time attention was called of Frank E. Gove, attorney for the Victor-American Fuel Co., by Mr. John E. Fitch, a newspaper man and one of the editors of the Survey of this city, to the effect that that was inaccurate and that those men received no such money?

Mr. LEE. I was not.

Chairman WALSH. Did you not have any machinery provided by which a misstatement of that kind could be corrected in less time than three months?

Mr. LEE. I thought, Mr. Chairman, that it would be done immediately in accordance with my telegram suggesting it. And, while I did have charge of certain other publicity, so far as the bulletins were concerned, I only had charge of the compilation of the material, the printing of it, and sending it to Denver. The operators issued all the statements from Denver. With that I had nothing whatever to do.

Chairman WALSH. Where was the mailing list that the first story as to these men went out from, right at that time?

Mr. LEE. As I told you, the envelopes were addressed and the mailing list kept in Philadelphia.

Mr. WALSH. Was that mailing list in Philadelphia at that time, October 1?

Mr. LEE. If you mean the original stencils from which the envelopes—

Chairman WALSH (interrupting). The mailing list you sent out the first 40,000 of these bulletins containing this statement from. Was that in Philadelphia October 1?

Mr. LEE. I think—I want to answer your question accurately if I can get it exactly.

Chairman WALSH. Yes.

Mr. LEE. The only form in which the mailing list was kept was in the form of stencils to use on an addressing machine. I presume you mean the envelopes in which it was designed to inclose these pamphlets.

Chairman WALSH. Where did you get the names from—the names and addresses of the people to whom the bulletins—that bulletin was first sent?

Mr. LEE. Well, that bulletin was sent to the first list I have named.

Chairman WALSH. Where did you get the names, and how did you keep them?

Mr. LEE. As I told you a few moments ago, Mr. Chairman, I had one of my clerks prepare the list from such data as he was able to get access to. These

lists were then put on stencils for use on the addressing machine. Then the envelopes were addressed by the addressing machine.

Chairman WALSH. And if you had some more envelopes to address you could easily use the same stencils?

Mr. LEE. Yes.

Chairman WALSH. Where were the stencils?

Mr. LEE. In Philadelphia.

Chairman WALSH. Are they still in Philadelphia?

Mr. LEE. Yes.

Chairman WALSH. And they remained there until you sent out this correction on January 2?

Mr. LEE. Yes; they have been there all the time.

Chairman WALSH. You knew there was no bulletin sent out, at least to some of the persons to whom you sent out the original statement with regard to these men, during October, November, and December, did you not?

Mr. LEE. I assumed the correction would be made as I suggested in the form of an errata slip in the pamphlet.

Chairman WALSH. Did you see any of the pamphlets that were sent out from Denver after they were sent out?

Mr. LEE. I do not recall whether I saw them or not; I might have seen some of them.

Chairman WALSH. Were you not interested enough, you having written the original bulletin, to ascertain whether or not that statement was made in them as sent out?

Mr. LEE. Mr. Chairman. Mr. Welborn was the chairman of the committee in charge, and I was hardly employed to give Mr. Welborn instructions as to what he should do.

Chairman WALSH. When did you receive the telegram from Mr. Welborn that an error had been made?

Mr. LEE. The 1st of October.

Chairman WALSH. Where were the originals at that time—the original pamphlets?

Mr. LEE. They were en route to Denver.

Chairman WALSH. How would you know that they were en route to Denver and had not arrived there?

Mr. LEE. In that case I do not believe Mr. Welborn would have sent me the telegram suggesting that this correction be made in the pamphlet.

Chairman WALSH. You were satisfied they had not reached there?

Mr. LEE. I had sent them, but took it for granted he had not received them.

Chairman WALSH. So then he sent out the pamphlets with that knowledge that that was not the truth?

Mr. LEE. That would be an inference, Mr. Chairman, to which I could hardly testify.

Chairman WALSH. When was the strike called off?

Mr. LEE. I do not recall.

Chairman WALSH. Did you or did you not see many of the newspaper publications following this bulletin with the same statement in it?

Mr. LEE. I do not think I saw any. The material in these bulletins was published but little in the newspapers.

Chairman WALSH. Did you ever perform any work for any of the corporations of which Mr. Rockefeller was president or for any corporation in which he was interested or for any business or philanthropic enterprises prior to your agreement to go to Colorado?

Mr. LEE. I did not.

Chairman WALSH. Is the compensation which you have received from Mr. Rockefeller intended to cover your compensation for writing these bulletins in full?

Mr. LEE. I do not think I can add anything to what Mr. Rockefeller said on that point, Mr. Chairman.

Chairman WALSH. Well, just repeat it, then; it has gone out of my mind. It is all right with me if it is a repetition.

Mr. LEE. As I recall it, he stated he had paid me for my services, but that he had not yet taken the matter up with the Colorado operators. I may say that I do not expect to receive any additional compensation and that I consider the matter closed.

Chairman WALSH. When did you go to work? I will ask you, first, did you prepare the statement to the press issued by Mr. Jerome D. Greene, secretary of

the Rockefeller Foundation, dated October 1, 1914, with the following heading: "The Rockefeller Foundation has inaugurated a far-reaching investigation of industrial relations, and has appointed as director Hon. W. L. Mackenzie King"?

Mr. LEE. I did not.

Chairman WALSH. Did you write the article dated October 31, 1914—maybe I can cover several of these. When did you write your first publicity for any of the Rockefeller enterprises, after you did this Colorado piece of work?

Mr. LEE. I hardly know how to answer that question, Mr. Chairman. During the fall, after Mr. Rockefeller returned from his vacation and I came back from Colorado, I heard Mr. Rockefeller say on a number of occasions that he thought a policy of somewhat broader publicity ought to be entered upon by his various enterprises, and he asked my advice and collaboration in the preparation of some material which was issued. I do not recall just which document was the first one concerning which I was called into conference.

Chairman WALSH. Did you write the document released for publication Sunday, December 27, with the heading, "The boys' corn-club movement"?

Mr. LEE. Mr. Chairman, the documents you have in your hand are the preliminary extracts of the first comprehensive report of the General Education Board. These documents are compilations of portions of the report. I suggested to the General Education Board that they make their report public in that form, in addition to the book form in which it was to be published, and I assisted Dr. Buttrick, the secretary, and the other officers in the preparation of the articles in this form.

Chairman WALSH. Did you do any of the writing yourself?

Mr. LEE. If you will examine them you will see that they are almost wholly quotations from the book.

Chairman WALSH. Did you do any of the writing in them yourself? In this one, entitled "Boys' corn-club movement"?

Mr. LEE. I may have written a paragraph to introduce the subject.

Chairman WALSH. Did you write the headline, "The boys' corn-club movement"?

Mr. LEE. Yes; I did.

Chairman WALSH. The article released for publication Thursday, December 17, entitled "Disposition of funds"—

Mr. LEE (interrupting). I can probably save your time if I tell you frankly that I wrote the headlines for all those articles, and I compiled the various bulletins. The publication of this preliminary matter was turned over to me and I was asked to put it in such shape as would be most available for the purpose.

Chairman WALSH. You know what I have in mind from seeing it in my hands?

Mr. LEE. Perfectly.

Chairman WALSH. What interest did you understand you were at work for while you were preparing those notices?

Mr. LEE. I understood I was assisting Mr. Rockefeller in one of his larger interests.

Chairman WALSH. Did you understand—did you think at the time you were working for some business corporation in which Mr. Rockefeller was a director, as a member of Mr. Rockefeller's personal staff, or for the Rockefeller Foundation, or for the General Education Board, I should say?

Mr. LEE. Of course the Rockefeller Foundation had nothing to do with it.

Chairman WALSH. Or the General Education Board?

Mr. LEE. So far as I can analyze my purpose, it was simply to assist the General Education Board to get the material in their own report effectively before the public.

Chairman WALSH. Is it a fact that all of the publicity material and press notices issued by the—by any of the Rockefeller institutions since the time you went to Colorado has been compiled or prepared by yourself?

Mr. LEE. That is not a fact.

Chairman WALSH. If not, please specify the particular pieces of material that were not compiled by you.

Mr. LEE. Mr. Chairman, I am not familiar with all of the material that has been made public by all of the Rockefeller interests. I only know those which I had a part in preparing.

Chairman WALSH. Recall, if you please, any that you know that were issued that you did not have this part in preparing or compiling.

Mr. LEE. You have just called my attention to one—the announcement of Mr. King's appointment.

Chairman WALSH. Any other than that?

Mr. LEE. Mr. Chairman, that would involve a familiarity with all of the material which has been issued for publication by all of the Rockefeller interests, and I am not familiar with it. I am quite prepared, Mr. Chairman, to tell you all those with which I had any connection at all.

Chairman WALSH. Very good; if you have any others in mind, please tell them.

Mr. LEE. I do that simply to save your time. I assisted in the preparation of several documents which have been included in the exhibits to the questionnaire, giving information as to the activities of the Rockefeller Foundation and several others. They are all included in the questionnaire.

Chairman WALSH. Now, did you have any further communication with Mr. Welborn, other than this telegram that you received, stating that an error had been made in the bulletin in regard to the matter?

Mr. LEE. I do not recall, Mr. Chairman; I have had numerous letters from Mr. Welborn.

Chairman WALSH. How do you know that that was the error he referred to? That is the inaccuracy of the statement as to the amount of money that Frank J. Hayes, John R. Lawson, and Mother Jones had received from the United Mine Workers of America.

Mr. LEE. Because in his telegram to me he stated that an error had been made in the bulletin with reference to that subject. He did not state, however, the nature of the error. I shall be very glad to show you the telegram.

Chairman WALSH. You are going to produce it?

Mr. LEE. Yes; with pleasure.

Chairman WALSH. Did you read the testimony of Mr. Welborn upon that topic before this commission in Denver?

Mr. LEE. I did not.

Chairman WALSH. I will read a few paragraphs of it. This was given on December 5, 1914:

Chairman WALSH. Please refer to page 67—

That is, of your bulletin—

"In the first paragraph I see there you have 'Frank J. Hayes, nine weeks' salary, \$4,052.92; Frank J. Hayes, nine weeks' expenses, \$1,667.20; total for salary and expenses, \$5,720.12. Frank J. Hayes was thus paid over \$90 a day; at the rate of over \$32,000 a year. For just the same period of nine weeks John McLennan received for salary \$2,683.65 and for expenses \$1,469.55, or \$66 a day. John R. Lawson received for nine weeks' salary \$1,772.40. Mother Jones, whose sole duty was to agitate, received \$2,668.62 salary for the same period; \$42 a day.'"

Then this question was asked:

"Chairman WALSH. Did you give that statement to the publicity man that actually wrote the matter?"

"Mr. WELBORN. I did not specifically give it to him. He took that along with a lot of other information that I had that was taken from my office in connection with the difficulty at that time.

"Chairman WALSH. Is that one of the statements that you accept personal responsibility for the truth of, Mr. Welborn?"

"Mr. WELBORN. I accept the same responsibility that I would as to any published statement that had gone undenied to which, as in the case of this one, I referred before the congressional committee without a denial having been entered as to its correctness.

"Chairman WALSH. I heard Mr. McLennan testify that his salary during this time was \$4 per day. If that turned out to be the truth, had you some means to correct the misstatements that occurred here?"

This was December 5.

"Mr. WELBORN. I doubt if there is any means of determining whether or not that is true. I would just as soon believe these figures as true as the others."

Did you know that Mr. Welborn so testified before this commission in Denver?

Mr. LEE. I did not.

Chairman WALSH. Is it your understanding that in the future you will direct the publications—the publicity for the General Education Board, for the Rockefeller Foundation, for the Colorado Fuel & Iron Co., for the Standard Oil Co., and for the Rockefeller interests generally?

Mr. LEE. It is not my understanding that I will do that, Mr. Chairman. On the contrary, it is my understanding that I will not do that.

Chairman WALSH. What publicity do you expect to attend to in the future, for what might be called the Rockefeller interests?

Mr. LEE. If I may be permitted to express Mr. Rockefeller's ideas, as he expressed them yesterday very much better than I can, he said he felt that greater publicity should be given to the activities in which he was interested.

Chairman WALSH. What are those?

Mr. LEE. That the public should be taken into his confidence and into the confidence of those whom he could influence, and I have no doubt that one of the duties which will fall to me to perform will be in advising with reference to effective methods of giving publicity to various material.

Chairman WALSH. And will that include all of the business activities which I have mentioned?

Mr. LEE. It will not.

Chairman WALSH. What will it include?

Mr. LEE. I do not know, Mr. Chairman. Mr. Rockefeller would, doubtless, when such matters arose in which his interests were concerned, probably ask my collaboration. I have only been there a very short time. I do not know into what it will develop.

Chairman WALSH. If you were called upon to suggest publicity or compile publicity for those corporations, would you go ahead and do so? Would you feel you were being paid for that?

Mr. LEE. I should feel I was being paid to do anything in the common interests of Mr. Rockefeller's office.

Chairman WALSH. And with regard to the publicity for any of those business or philanthropic activities which I have mentioned to you?

Mr. LEE. I should consider I was advancing his very best interests in contributing in any way in my power to secure publicity for the activities of any of those institutions.

Chairman WALSH. In the preparation of the various pieces of publicity for the Rockefeller Foundation or the General Education Board, from whom did you obtain the material used in the statements?

Mr. LEE. So far as the Rockefeller Foundation is concerned, I did not obtain these from anybody. I was called into consultation in the preparation of various statements which were given to the press.

Chairman WALSH. Do you know personally whether or not the statements were in every way correct?

Mr. LEE. I believe that any statement which Mr. Rockefeller's staff would prepare, or which would emanate from his office, would be absolutely correct.

Chairman WALSH. Was there a change in the status of your work after the 1st of January, from what it had been prior to that time?

Mr. LEE. A very great change, Mr. Chairman. Before the 1st of January I was simply called into consultation with reference to a few of Mr. Rockefeller's interests, and specifically with reference to a few matters specially relating to publicity. After January 1 I became a member of his father's staff, which involved a variety of activities.

Chairman WALSH. Following the obtaining of the material upon—one minute, please.

Now, outside of the facts, and alleged facts, that were contained in this Colorado bulletin, did you write the comments and the argument yourself?

Mr. LEE. I assume you mean the introduction to the pamphlet; the first part of it?

Chairman WALSH. Any comment?

Mr. LEE. The only thing that could be called a comment would be the introduction, and I assume you have that in mind. That, as I told you, was a compilation of material given to me by Mr. Welborn and Mr. Gove, and almost entirely in their language.

Chairman WALSH. I will ask you if you wrote this "Why the strike was forced on the Colorado miners. A transcendent consequence is the fact that the Colorado coal strike was not due to the dissatisfaction of the men with their working conditions."

Did you know whether it was or not?

Mr. LEE. I did not. That statement was given to me, as I have told you, by the operators' committee.

Chairman WALSH. "The union decided at its headquarters in Indianapolis that there should be a strike. Agitators were accordingly sent to Colorado to



stir up trouble and to arouse the men to fancied grievances." Did you write that?

Mr. LEE. I should have to make the same answer.

Chairman WALSH. Did you write this argument, "Recognition of the union was the underlying motive of the strike planned." Did you say that?

Mr. LEE. Mr. Welborn, Mr. Chairman, has assumed complete responsibility for every statement in those bulletins. That responsibility I must allow him to retain. I assisted in the compilation of the material; the statements of fact, the opinions expressed, the interpretation of facts is all that of the members of the operators' committee.

Chairman WALSH. I would like to find out specifically whether a few are yours. Is this statement yours: "Recognition of the union was the underlying motive of the strike planned"?

Was that yours?

Mr. LEE. I would have to repeat the same answer.

Chairman WALSH. You wrote that, however?

Mr. LEE. I do not recall whether that is my language or a paraphrase of the language of one of the gentlemen referred to.

Chairman WALSH. Do you recall whether or not this is your language: "Why should that be so important to anyone? Why should it be important to anyone to force itself on men of the community even when there were no wrongs to redress, no demands from the men for union assistance"? Did you write that?

Mr. LEE. I do not recall whether I did or not; I don't recognize the language.

Chairman WALSH. Commissioner Garretson would like to ask a question or two, please.

Commissioner GARRETSON. Mr. Lee, you used the—you made the statement—I think I have it exactly as you said it—that your mission was to present—now I am quoting—"the true attitude of the operators as they themselves understood it." That is the end of the quote.

Mr. LEE. That was the effort.

Commissioner GARRETSON. There is a very nice distinction there, that your mission was that of the average publicity agent, was it not, to give the truth as the man you were serving for saw it? [Laughter.]

Mr. LEE. That would represent a characterization on your part, Mr. Commissioner. I have tried to tell what happened. As to your characterization, I don't know that I can give the answer.

Commissioner GARRETSON. Well, I was simply attempting to interpret the language that you yourself used, as applied to the practical form of a publicity man's work. I am not making it a particle more personal to you than the average publicity agent.

Mr. LEE. The whole effort I made was to assist the operators in presenting their own case.

Commissioner GARRETSON. And not anybody else's case? [Laughter.] I may say that in a sense you were not looking after somebody else's case but after the operators' case?

Mr. LEE. It was my effort to assist the operators to present their own case.

Commissioner GARRETSON. You did not give any publicity to the fact that you went to Colorado to confer with them?

Mr. LEE. For the reasons I have suggested.

Commissioner GARRETSON. Publicity has its limitations? I mean its valuable limitations?

Mr. LEE. Mr. Garretson, I can not let that go unchallenged, because publicity, to be publicity, must be public. Now, the essential fact about these bulletins was that they were issued by the operators and in their own names, and on their responsibility. If I had interjected my name into it, it would have been irrelevant and would in no sense have had anything to do with the essential merits of the case.

Commissioner GARRETSON. Is it not a valuable element in a publicity campaign—the insertion of another personality?

Mr. LEE. I have never believed very much in the value of personality in publicity. I believe that the material that is given to the press must stand on its own merits and without reference to the personality behind it. I have always disbelieved thoroughly in the use of money or influence to secure in any way the publication of anything in the newspapers. I do not believe in using friends in that way. I believe that all material should be issued on the

responsibility of the man who makes the statement, and with regard to that personality the newspapers should regard it as they desired.

Chairman WALSH. Beg pardon. At this point we will adjourn until to-morrow morning at 10 o'clock. We will have to recall Mr. Lee, anyway.

The commission will stand adjourned until to-morrow morning at 10 o'clock. (At this point an adjournment was had until Thursday, January 28, 1915, at the same place at 10 o'clock a. m.)

NEW YORK, January 28, 1915—10 a. m.

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Ballard, Weinstein, Garretson, and Commons.

Chairman WALSH. If the house will be in order, we will resume now. Mr. Lee, please.

# TESTIMONY OF MR. IVY L. LEE—Continued.

Commissioner GARRETSON. At closing time last night, Mr. Lee, the pending question was—I had asked the question, "Is it not a valuable element in a publicity campaign, the insertion of another personality?" To which you answered, "I have never believed very much in the value of personality in publicity. I believe that the material that is given to the press must stand on its own merits and without reference to the personality behind it. I have always disbelieved thoroughly in the use of money or influence to secure in any way the publication of anything in the newspapers. I do not believe in using friends in that way. I believe that all material should be issued on the responsibility of the man who makes the statements, and with regard to that personality the newspapers should regard it as they desire."

Then the chairman intervened and adjourned the meeting.

Now, on the question of whether or not personality enters into publicity, is it not a fact—we were dealing at the time that question came up with your own trip to Colorado and the advisability, as it appeared, of not inserting your own personality in there. Is it not a fact that the insertion—that the insertion or noninsertion of a certain individual is dependent in a very considerable degree on whether it—the sense of values of the publicity agent who is directing the campaign determines that—that personality would be favorable or unfavorable to the cause that he is retained for? Now, before you answer that I want to make clear what I mean. You are recognized as connected with the publicity of the greatest railway corporation—I am using the language of the railway itself, as it says it is the greatest railway corporation on earth—you have been the publicity agent of the associated railways in the entire Eastern Association territory in the presentation of the matter as affecting the increase of rates before the Interstate Commerce Commission. On this question of values, would it not naturally have been the conclusion of a publicity man that his personality might not be as desirable when connected beforehand with great corporate interests in a case of this kind?

Mr. LEE. Mr. Garretson, I think you and I have a somewhat different opinion as to the function of a publicity agent. My theory of a publicity agent is that he should not act as an intermediary. The old theory of a publicity agent is that his functions should be to take what his employers gave him to hand to the press, and then to use his influence or any other ways that suggested themselves to him, to get it published. That is totally foreign to my idea. My idea is that the principal himself should be his own publicity agent; that the function of a person like myself, for example, when acting in that capacity, should be to advise with the man who is to take the responsibility for the act itself as to what he should do and what he should say, and that he should do the same.

Now, for instance, in the case of the railroads, while it is true that I acted with them and for them, everything that was done, was done in their name and on their responsibility; and very few people, outside of such well-posted individuals as yourself, knew that I had anything to do with it. There was no effort to conceal the fact, but on the contrary there was no occasion to advertise it.

Commissioner GARRETSON. Let us carry it away from your own connection. Then when a very prominent philosopher made a proposition in regard to the

writing of judicious articles favoring the contention of the operators, was that brought to your attention?

Mr. LEE. It was. I would like to tell you the story of that.

Commissioner GARRETSON. Very good. I would like to hear it.

Mr. LEE. You are speaking of Elbert Hubbard.

Commissioner GARRETSON. I am speaking of Fra Elburtus Hubbard.

Mr. LEE. Yes; Mr. Hubbard; and I have not corresponded with him or had anything to say to him concerning this statement; but, the matter being raised, I want to make it clear, and at the same time to indicate Mr. Rockefeller's views. Mr. Hubbard wrote to Mr. Rockefeller some time last spring that his magazine, the Fra, expected to publish an article concerning the Colorado situation and he wanted Mr. Rockefeller's cooperation in the preparation of it. I think he suggested also that Mr. Rockefeller should assist in the distribution of it. Mr. Rockefeller conferred with me on the subject, and I told him that in my judgment the wise thing to do was to refer this correspondence to the Colorado operators themselves and to suggest to them that if Mr. Hubbard came to Colorado they should give him every facility to find out any facts over which they had command; that then he should be at liberty of course to write any article he liked; that if after the article was written and published the operators found it desirable to circulate any additional copies of it, they should be perfectly free to do so if their judgment might so suggest. Mr. Rockefeller so communicated those views to the Colorado operators.

Commissioner GARRETSON. Accompanied by the price per copy.

Mr. LEE. The price per copy was never mentioned.

Commissioner GARRETSON. You mean to you?

Mr. LEE. To me or to Mr. Rockefeller, as I recall.

Commissioner GARRETSON. The letter that is part of the records addressed to the coal operators, have you seen that?

Mr. LEE. I do not—

Commissioner GARRETSON. In which the price per thousand copies is quoted?

Mr. LEE. Mr. Hubbard's letter to the operators?

Commissioner GARRETSON. Yes.

Mr. LEE. That may be; I have not seen that.

Commissioner GARRETSON. You have not seen that. Are you aware of Mr. Welborn's statement on the stand in regard to the number of copies of the Fra which the Michigan mineral operators had bought on account of a judicious article contained therein as to the Michigan situation?

Mr. LEE. I do not know anything about that, Mr. Garretson.

Commissioner GARRETSON. I think Mr. Welborn testified that the Michigan operators had bought—a million copies, was it?

Chairman WALSH. My recollection is that Mr. Hubbard said in his letter that the operators had bought a million copies.

Commissioner GARRETSON. A million copies, and Mr. Welborn subscribed for one or two thousand. Do you know the number?

Mr. LEE. I really do not, Mr. Garretson.

Commissioner GARRETSON. Now the question of value arises. As an average publicity man—a man of average publicity—would you consider the value of one undamaged philosopher greater—that is, his first expression on the subject—greater than a second publication along the same line?

Mr. LEE. I do not quite get the idea.

Commissioner GARRETSON. Well, if a great moral reformer had never expressed an opinion in favor of the operator, would not his opinion as expressed in the publication be worth far more in a money value as publicity than a second expression along the same line?

Mr. LEE. If I can exactly grasp the meaning of your question, my answer to it would be this: That the value of any independent expression to the public depends of course upon the standing of the man who made the expression. Mr. Hubbard, of course, was presenting his own views and his independent views, whereas, of course, Mr. Welborn was presenting a distinctly partial side of the story—his own view of it.

Commissioner GARRETSON. But when an opinion becomes marketable—

Mr. LEE (interrupting). I do not think that it is fair to suggest Mr. Hubbard's opinion in this case was marketable.

Commissioner GARRETSON. Did you read the letter?

Mr. LEE. I want it understood that I hold no brief for Mr. Hubbard, but I have seen no correspondence that suggested that his opinion on this subject was marketable.

Commissioner GARRETSON. I have not a copy of the letter here, but only excerpts from it; an excerpt from the letter is as follows:

"I am writing something on the subject—

This is a letter to Mr. Welborn—

"a letter after the general style of my article on 'The copper country,' in the Fra Magazine for May. I mail you a copy of the Fra to-day. I believe you will be interested in what I have to say about the situation in northern Michigan.

"Just now it seems very necessary that some one should carry on a campaign of education, showing this country, if possible, that we are drifting at present in the direction of I. W. W. socialism.

"Are you interested in distributing a certain number of copies of the Fra containing my article on the Colorado situation?

"Also, what do you think of the inclosed booklets? I have distributed these on my own account up to the extent of nearly a million, but I have not the funds to distribute a million more, as I would like to do.

"Any suggestions from you in the line of popular education will be greatly appreciated."

The rate is quoted in the other place, from Mr. Welborn's testimony, "The price for extra copies of the Fra is \$200 a thousand," and it accompanied, according to the testimony of Mr. Welborn, that communication. That is upon what I base the use of the word "marketable."

Would you consider the value of that publication greater before the publication of the copper article than it was after it for your purposes?

Mr. LEE. Mr. Garretson, I really do not think I can say more than that the value to the public of the expression of an editor must depend upon the standing that editor has with the public.

Commissioner GARRETSON. Therefore personality would enter into the value of his statements?

Mr. LEE. Any independent expression, certainly.

Commissioner GARRETSON. Do you believe, Mr. Lee, that the publication—and this is purely impersonal—that the publication of misinformation is a prolific cause of unrest, when it is afterwards determined that it is misinformation?

Mr. LEE. I think it is in the highest degree undesirable that misinformation should be distributed at any time by anybody.

Commissioner GARRETSON. And it undoubtedly would be one of the many elements that contribute to the general distrust and unrest?

Mr. LEE. I think misinformation distributed by either side of a controversy, that may affect selfish interests, is apt to cause very great hard feeling on both sides.

Commissioner GARRETSON. It goes without saying that what is false ethics on one side, must of necessity be so on the other side?

Mr. LEE. Absolutely.

Commissioner GARRETSON. Going back to the relation that exists between the publicity agent and those who employ him; here the personal note comes in again—I am bearing in mind your own statement of the relation existing between them. Have you ever seen the time when you would have cared to guarantee the correctness of the information you were expected to give to the public, or that you have assumed the attitude of so doing?

Mr. LEE. I should never give to the public any information that depended upon my own say so, that was not, so far as I knew, accurate.

Commissioner GARRETSON. You never go farther in your guaranty than your belief that it is the honest opinion of the person that desires put it across?

Mr. LEE. So long as it is the honest opinion of a man who I believe is acting in good faith, I think it is perfectly proper that the public should have his view of the situation.

Commissioner GARRETSON. Is it a common device on the part of publicity agents to take an article, an inspired article, in a friendly or controlled publication, and then disseminate it widely as plate matter, simply independent expression?

Mr. LEE. It may be, but I do not believe in the policy and never adopted it myself.

Commissioner GARRETSON. That is all, Mr. Chairman.

Chairman WALSH. Commissioner Weinstock wants to ask some questions.

Commissioner WEINSTOCK. May we ask, Mr. Lee, whether your work immediately after your employment by Mr. Rockefeller was confined to the prepara-

tion of bulletins in connection with the Colorado strike troubles, or whether that was simply one of the various functions?

Mr. LEE. You mean last summer, and not since the 1st of January?

Commissioner WEINSTOCK. That is correct.

Mr. LEE. Soon after Mr. Rockefeller and I got to be better acquainted, Mr. Weinstock, I think Mr. Rockefeller began to feel that it was desirable that much greater publicity be given to many other things in which he was interested, and if I may say, the idea which I had that publicity should be absolutely frank and responsible and given out in the most open manner for the freest use by all the papers, was one that appealed to Mr. Rockefeller. He asked my advice with reference to that, and in connection with many other topics.

Commissioner WEINSTOCK. Well, about how much of your time, Mr. Lee, was devoted to the Colorado situation, and how much of it to other work?

Mr. LEE. Of course, you understand that during this whole time I was performing very active work for the Pennsylvania Railroad Co.

Commissioner WEINSTOCK. So you were not giving your entire time to the Rockefeller interests?

Mr. LEE. Oh, no; all this work I did for Mr. Rockefeller was purely incidental to my main work, which was continued as actively as I knew how.

Commissioner WEINSTOCK. I gathered from your testimony of yesterday that you acted solely as editor and you edited the matter furnished you by the coal operators?

Mr. LEE. That is correct.

Commissioner WEINSTOCK. And under your direction, clerks prepared the matter and your work was purely supervisory?

Mr. LEE. My work was, as you say, simply that of an editor, attempting to take material which the operators gave me and present it in a typographical style which would be apt to commend it to the reader.

Commissioner WEINSTOCK. How often were those bulletins issued? Was there any regularity in the interval?

Mr. LEE. No, sir.

Commissioner WEINSTOCK. Just every once in a while?

Mr. LEE. Yes.

Commissioner WEINSTOCK. Whenever occasion arose to issue one?

Mr. LEE. Correct.

Commissioner WEINSTOCK. Can you explain to the commission, Mr. Lee, why so long an interval was permitted to take place, an interval of over three months, from October to January, as I recall it, before the serious blunder which had been made in the October bulletin relative to the earnings of the labor representatives was corrected?

Mr. LEE. As I suggested yesterday, Mr. Weinstock, the first knowledge that I had that there had been any error at all was in a telegram which I am to produce before this commission, from Mr. Welborn, stating that there had been an error. The nature of the error was not stated to me, and I assumed it was a typographical error and of no special consequence. I suggested that an errata slip be inclosed in the pamphlet in sending it out. I assumed that that had been done. I never gave the matter any further thought until the hearing before the commission in Denver, and then I saw in the newspapers the nature of the error which had been committed. I then telegraphed to Mr. Welborn that this error and any other errors that might have been ascertained ought to be corrected at once by another bulletin. And to reinforce that suggestion and in order to provide a basis on which to work, I prepared a draft of a possible bulletin and forwarded it by mail within a few days, suggesting a method of treatment of the subject to make it perfectly clear that it was the desire of the operators to correct whatever injustice may have been done by the previous error.

Commissioner WEINSTOCK. Whom do you hold responsible, then, Mr. Lee, for that delay, that unreasonable and unseasonable delay in making the correction?

Mr. LEE. Why, Mr. Weinstock, I would prefer not to express an opinion. I personally had not the right to hold any one responsible. I was in a subordinate capacity.

Commissioner WEINSTOCK. Let me modify that question by saying, Whom do you regard as responsible for that delay?

Mr. LEE. I certainly think that the operators' committee should have corrected that error as promptly as they ascertained it.

Commissioner WEINSTOCK. Of course, you can appreciate, with us, that for the operators to send out a statement, making it appear that a year's salary

and a year's traveling expenses was only a month's payment, would give the readers the impression that these labor leaders were exploiting their fellow-workers.

Mr. LEE. It was an unfortunate statement which ought never to have been made, but having been made, ought to have been corrected the moment it was ascertained. There can not be any two opinions about that, it seems to me.

Commissioner WEINSTOCK. But you had no control over that?

Mr. LEE. I had no control over it; no responsibility for it.

Commissioner WEINSTOCK. That is all, Mr. Chairman.

Chairman WALSH. Was there any return card on the envelope that those bulletins were sent out in?

Mr. LEE. I think so, Mr. Chairman. A return card bore the room number of the offices of the Colorado Fuel & Iron Co. in Denver.

Chairman WALSH. Did it have the name of the Colorado Fuel & Iron Co. upon the envelope?

Mr. LEE. I do not think so. The envelopes, however, contained a slip and the pamphlet copy a brief introductory page, signed by the operators' committee, so that anyone who received the document would have no doubt as to whence it emanated.

Chairman WALSH. The slip was separate from the bulletin itself?

Mr. LEE. The slip in the smaller bulletins was separate, yes; but it was inclosed in the same envelope.

Chairman WALSH. Now, you first issued these bulletins separately, as you stated, and then gathered them together?

Mr. LEE. That is right.

Chairman WALSH. I call your attention to this Bulletin No. 4, which you are probably familiar with, as to how a Congressman views the situation. Might it not have been the idea being conveyed to the mind of whoever did not see the slip that it was a Congressman that was sending them out?

Mr. LEE. I hardly think so, Mr. Chairman, for the slip was inclosed. Every effort was made to have it clearly understood as to who sent this out.

Chairman WALSH. You recall the form of this one, Mr. Lee?

Mr. LEE. I do.

Chairman WALSH. Now, I have been asked, Mr. Lee, to have you state concisely what your everyday duties are in this publicity matter that you are working on. Now, give briefly what it is you do every day about the publicity?

Mr. LEE. Since I joined Mr. Rockefeller's staff I have had very little to do with publicity. I have had my attention taken up with many other matters. I have been made a member of various boards of directors, and placed in various different relationships, which have taken a good deal of time.

Chairman WALSH. Have you called at any of the newspaper offices?

Mr. LEE. I think since the 1st of January I have been in only one newspaper office.

Chairman WALSH. Do you address communications to newspaper editors and writers?

Mr. LEE. I should not hesitate to do so, but I do not recall having done so lately.

Chairman WALSH. When you prepare matter, how do you get it to the newspapers?

Mr. LEE. I have as many copies prepared as I think will serve the purposes of the newspapers, and where I feel that the exigencies of time or the pressure of news demand it, I telegraph. If I think it is a matter of general interest, I am very apt to send a complete copy to a great many papers outside of those who would ordinarily receive it simply locally.

Chairman WALSH. Do you send it by mail? Do you hand it to the gentlemen in person, or do you have some one to take it to them?

Mr. LEE. Well, I should not hesitate to employ all those methods.

Chairman WALSH. What I am trying to get at is what you really do?

Mr. LEE. I have done all of those things, and probably would do them all again.

Chairman WALSH. Now, could you suggest something perhaps that you do now in addition to what I have suggested?

Mr. LEE. I am anxious to tell you anything—

Chairman WALSH (interrupting). No doubt about that.

Mr. LEE (continuing). Mr. Walsh—

Chairman WALSH. But that don't do it.

Mr. LEE. My relations with newspaper men are quite frank, and I simply—

Chairman WALSH. I understand that, but my question was: Could you suggest anything else that you do other than what I have stated about giving the publicity out, or have I covered it all in my question, so we conclude. Regardless now of your attitude or your methods, do not think of anything except the particular question, how you get the publicity to the newspapers.

Mr. LEE. I will summarize so that I can cover the situation.

Chairman WALSH. Yes; as briefly as you can, and then we will be through.

Mr. LEE. I take anything in which I think the press is apt to be interested, and see to it that all the copies are made that I think will serve the uses of the press, and then take occasion to furnish copies of it to such newspapers as I desire to receive it by messenger, in person, by mail, or by telegraph, if necessary, in whichever way seems to me to be most feasible.

Chairman WALSH. That is all, thank you. You may be excused.

#### TESTIMONY OF DR. JOHN HAYNES HOLMES.

Chairman WALSH. Please state your name.

Dr. HOLMES. John Haynes Holmes.

Chairman WALSH. And your calling.

Dr. HOLMES. Clergyman.

Chairman WALSH. Where do you live?

Dr. HOLMES. I reside in Brooklyn, 28 Garden Place.

Chairman WALSH. And are you a pastor of a church in New York City?

Dr. HOLMES. The Church of the Messiah, in the Borough of Manhattan, Park Avenue and Thirty-fourth Street.

Chairman WALSH. Have you as a citizen or as a student of industrial problems had occasion to consider the organization and operation of large philanthropic foundations, Doctor?

Dr. HOLMES. As a citizen and as a student; yes, sir.

Chairman WALSH. Will you please give the commission your opinions and conclusions in regard to the effect which such institutions have had or may have on American life and industry?

Dr. HOLMES. I have made a very brief outline, sir, of what I should care to say upon this subject, and, with your permission, I will speak with this outline before me.

Chairman WALSH. Very good.

Dr. HOLMES. So that my remarks may be as clear and definite as possible.

Chairman WALSH. I think the commission would like very much for you to state it in your own way.

Dr. HOLMES. Thank you. Like other persons, I, of course, recognize that the growth of the great foundations is one of the most influential developments of recent times, and present a problem which I think calls for not only consideration like that of industrial relations, but for the consideration of all persons who have at heart the best interests of our community.

May I say at the very start, sir, in anything I may say about the foundations I am making no personal reference of any kind? I am not impugning the motives of the founders of these great foundations. I would be glad to take it for granted, and think you would take it for granted that their motives are of the very best and highest; that these men possessed of large wealth are anxious that a portion of that wealth, perhaps a large portion, should be used for the benefit of the community, and that, in all sincerity, work out the foundation system as the best one to safeguard and perpetuate these things.

I would like also to say that I take it for granted that the men who are now directing these foundations—for example, the men who are representing the Rockefeller Foundation—are men of wisdom, men of insight, of vision, and are also animated by the very best motives. In my own thought and view upon this subject I have come to ideas somewhat along these lines. In the first place, my standpoint is the whole thought of democracy. I believe that all of our problems, yes, social and political, should be finally stated in terms of democracy, and the interests of the great democratic system which we are trying to work out in our field must be the interest which we have closest at heart. From this standpoint it seems to me that this foundation, the very character, must be regarded as essentially repugnant to the whole idea of a democratic society. I think, for example, in the first place, of the origin of these foundations. It is very easy for us to sit here or elsewhere and discuss these foundations which have so much money at their disposal, representing, some of them, all the way from \$10,000,000 to \$100,000,000, and think of that

money as salted down somewhere and growing like the plant, producing blossoms which are cut off and used. But the thing which comes to me, I must confess, as I contemplate a fund like \$100,000,000, is this: That that fund is produced, or the income of the fund is being produced every day by the labor of men, and what we have here are thousands and perhaps tens of thousands of men hitched up to the support of a great permanent institution in the direction of which they have no voice whatsoever, and from the benefactions of which perhaps they may receive no good, no profit whatsoever. In other words, in studying these foundations we must never forget the human relationship that is involved between the money as produced and used for any purpose, however beneficent, and the labor of men which goes into the production of that money.

In the second place, I think of the administration of such income, and I note that this administration is in the hands of a small board of men, which, if I may simply say, is self-perpetuating; that these men are chosen, in the first place, I suppose, by the founders themselves, and later on by those who are at that time directors, chosen thereafter from the point of view of those men who have organized the foundations and are interested in some particular phase of the work and in the perpetuation of some phase of that work.

In other words, we have here in the midst of a society supposed to be democratic that which is essentially an autocratic system of administration, of an institution which represents power, which is, of course, simply stupendous, and that relationship is, therefore, of the most serious character to mankind, the autocratic administration on the one hand and the democratic administration upon the other.

The third, and I offer this experience not in any spirit of sentiment but as a matter of very real conviction. I feel as a citizen and I find as a matter of inquiry with others with whom I talked, that there is a growing feeling, and it is a healthy feeling, that democracy prefers to do its own business along the lines of development represented by the field occupied by these benefactions.

In other words, I feel personally a kind of a sense of outrage when a large sum of money which has been gotten together by methods which may be wholly ethical and laudable and administered by a very small body of men comes into a community and studies that community from its own standpoint, as a doctor studies a case, and then applies a remedy from the funds at its disposal. Now, the whole essence of our democratic society is it can do its own business, that it does not depend upon the outside influences or interests of any kind.

May I use an illustration? A very recent illustration, and I use this illustration because I believe it one of the noblest instances of what the Rockefeller Foundation has been doing in recent years. I refer to the work which the foundation is now doing, sending food and other materials of relief to the Belgians. There can be no doubt whatsoever in any decent man's mind as to the perfect beneficence of that activity, the unending good that it is going to do. I confess to you, sir, however, in all frankness when I saw that the Rockefeller Foundation was going to do this thing, that I felt somewhat a sense, not of a grievance, but of the feeling of regret that it had not been left to the great sympathetic democracy of America to do this thing in its own way and its initiative and out of the resources of its own competency.

Let me particularize, that we had not as yet found a way for our political machinery, representing the people of the country, to do this thing as one institution which is now being done so efficiently and so generously by the Rockefeller Foundation. I feel the same thing, to use another illustration where democracy it seems to me, the very idea of it, is that it shall safeguard its own interests, determine its own goal of progress, heal its own ills, and shall foster its own ideals. In other words, I am very jealous of the activities of this autocratic society of ours and I greatly fear—but I can not point to any indication of it now—I greatly fear the paralysis of the possibilities of democracy when an institution of such power as this enters into the field, and thereafter takes away the opportunity which is the challenge to democracy to do these things.

Entirely aside, however, from these matters which now to my mind I feel are essentially repugnant to democracy I want to make a second point; that is, namely, that in them are the seed of peril to our democratic institutions, and let me say to you once again, I am making no reference to any of the founders of these present foundations or to those who are now sitting upon any board of administration in any one of them. But no man can guarantee the future. When I consider the industrial situation of this country to-day I sometimes tremble about the future. I therefore study with a good deal of care the



possibility of the development of every source of power which may play a part in the development of the industrial drama here in America. Now, I mean that away from prejudice. The stronger a man is the stronger are his convictions, and the greater is his courage in standing by those convictions and putting through the things that he really wants to do, for himself, or for those associated with him or for society at large.

Now, it seems to me inevitable that as the industrial situation of this country develops the prejudices upon both sides should develop, the men who administer these funds, however high minded and idealistic and unselfish they may be, will be men, necessarily strong men, working for strong men. They will be men who will have courage to stand by those ideas, and the very virtues therefore which ennoble their manhood will be the very things which will lead them to have an interest in the administration of this fund, I can easily conceive. In other words, that the benefactions might be from the best motives in the world swung to one side of a great controversy and the two sides who are fighting the thing out will not therefore have the opportunity to fight it out on a fair field with no favor to any.

And then, more serious than that, if I may speak of just one more thought, that those trusts I regard in their possible development to democracy—I would return to my original proposition that they are essentially autocratic in their administration. What we are doing here, it seems to me, is setting up inside of our democracy a great system of autocracy, and that to my mind lays the foundation—if I may use a confused piece of imagery—lays the foundation for a more serious fight than we have got on at the present time.

In other words, I might agree that our present conflict should be solved, our present breaches should be bridged or healed; and now to introduce into the field two antagonistic systems which must, of course, in time come into conflict is rather, in my judgment, to complicate the problem than to simplify and reduce the danger. In other words, safer to do it now and not put it off until the time to come. These systems may be regarded as the infection rather than the healthy life of the people, and therefore if by their operation they threaten the whole life of society, should they not be cut out as a cancer may be cut out of the human body.

As institutions therefore leading to democracy, as the very point of democracy itself, institutions which contain the seed of great peril to all our society, I feel that such foundations as that are to be deplored and studied and the problems which they present carefully considered.

Chairman WALSH. Do you consider it possible, Doctor, for such institutions to have an influence on educational matters?

Dr. HOLMES. I should say that they are already having an influence, are they not, in giving sums of money to certain chosen institutions.

Chairman WALSH. In what way do you consider that such influence can be exerted, stating the matter concretely, by the bestowal of this money? What might happen to the institutions and the persons being educated in them?

Dr. HOLMES. I was not thinking so much, Mr. Chairman, of the influence upon those who were being educated in the institutions, as the direct result, as that institutions which win the favor of these administrators for any reason would be strengthened and other institutions, from the comparative point of view, impoverished. For instance, I can not conceive of any foundation now in existence or likely to be in existence giving a large benefaction to the Rand School of Social Science in this community. There may be many reasons why such money should not be granted; but even though that school were everything that could be desired from the standpoint of efficiency, I can not in my mind conceive of benefactions being given that school. Therefore, in those institutions the influence is inevitable.

Chairman WALSH. Can you cite any concrete cases in your own knowledge in which such influence has been exerted or is now being exercised?

Dr. HOLMES. I would cite, perhaps, the institutions of the teachers' pension fund, which is the result of one of the great benefactions—Mr. Carnegie's. It seems to me that the history, so far as I know it, of that benefaction shows that many institutions for years and years of a denominational character have been trying their utmost to get rid of their denominational affiliations and connections, in order to receive the gifts of the foundation, which specifies, if I am correctly informed, that only institutions undenominational or nonsectarian can participate.

Let me say that I am most emphatically undenominational and nonsectarian. I have no interest in denominationalism. But here is an illustration of a very

sharp line of demarcation which is having its influence upon many institutions, like the influence of a colored cloth upon a chameleon. These institutions are seeking—that is, many of them—to change their denominational character, so as to come within the scope of the teachers' pension benefits.

Chairman WALSH. Any others that you have in mind, Doctor?

Dr. HOLMES. Not for the moment, sir.

Chairman WALSH. Have you had occasion to consider whether any action by the State is necessary or desirable in relation to these institutions?

Dr. HOLMES. I have, but it is an exceedingly difficult thing to exactly state it. The refusal of the United States Government to meet the exact conditions required by the Rockefellers, if I am correctly informed, led to the retreat of the foundation to New York State. I can easily imagine that a refusal of New York State to comply with these conditions might have led to the retreat to other States. In other words, with so many States in our country, it is easily possible for a foundation to escape the desires of any particular political agencies. Therefore what to do, practically speaking, is exceedingly difficult to say. My own idea, however, if the foundation can be confined within the scope of a single political agency, is that the State should immediately insist upon most generous kind of representation and a very large voice in the changes of administrators, so that the representatives of the people, and therefore the people themselves, should perhaps be the ultimate controllers of the work of these benefactions until such time as we can transfer to the sources from which the money came, any value at the disposal of the—

Chairman WALSH (interrupting). Commissioner Weinstock would like to ask you a question.

Commissioner WEINSTOCK. If you were so fortunate, or unfortunate, as to be the possessor of \$100,000,000 that you wanted to use for the common good, what would you do?

Dr. HOLMES. I should consider, sir, that I was confronted by one of the most difficult problems that could confront any man. For the sake of my own individual integrity, I should try as best I could to get rid of that \$100,000,000, and my own thought which comes at the moment here, I should want to place it upon the Government, the representatives of the people, to assume that great responsibility, as Mr. Roosevelt placed the \$40,000 Nobel prize not in his own hands or in any private personal control, but in the hands of the Government. The fact that the Government did not know how, or the Government or its citizens did not respond to that generous and wise gift, does not impugn, it seems to me, the wisdom of what was done.

Commissioner WEINSTOCK. You would, then, place the matter entirely out of your own hands and put the \$100,000,000 into the hands of the employees of the Government?

Dr. HOLMES. I should get rid of it just as quickly as I could. I feel that no man has a right to such a sum of money.

Commissioner WEINSTOCK. Would you have any strings tied to that gift to all the people?

Dr. HOLMES. I should hope not. I should, not believing it to be ethically right to have such a sum of money, want to be rid of that responsibility.

Commissioner WEINSTOCK. You would simply take this \$100,000,000 and turn it over to Congress and say, "Do with it what you consider best"?

Dr. HOLMES. I should suppose I would think the matter over carefully—more carefully than I can at present—but I think that is the thought I should have, and my object would be to get into the hands of the people the money they have produced.

Commissioner WEINSTOCK. You mean just put it in the Common Treasury just to be used for any purpose it wanted, or would you specify?

Dr. HOLMES. I might think it a matter of wisdom to specify. I do not think I should attach any binding condition, as Mr. Roosevelt did, that this money should be used for any particular industrial benefits, or anything of that kind.

Commissioner WEINSTOCK. That is, you would do it without qualification as to the use of the gift?

Dr. HOLMES. Qualifications of recommendation rather than, perhaps, insistence or dictation.

Commissioner WEINSTOCK. That is, in the nature of suggestions?

Dr. HOLMES. Yes; in the nature of suggestions, as a donor to a college might say, "I would like to have this used for books or for scholarships or for a library; but if it can be used better, use it as you see fit."

Commissioner WEINSTOCK. Well, if Congress should see fit to take your \$100,000,000 and simply put it into the Common Treasury, and to use it for operating expenses, within a very brief time that \$100,000,000 would disappear, and comparatively little permanent good might flow from it. Would you think that would be wise?

Dr. HOLMES. Why, it probably would disappear in serving the interests of the people. The fact that it went back into those interests would not in itself, it seems to me, be an ill. I can imagine the Government might well expend it for purposes that I was not at all concerned with—such as the Army and Navy, for example; but if I made the gift under those conditions, I should have to take the result.

Commissioner WEINSTOCK. But I take it if you had this vast sum of money, if you were burdened with it, that you would naturally want to use it for the most permanent good, so that the largest number of your fellows might be helped, not temporarily, but that it might be used as a means for continuing to aid those who were worthy of being aided.

Dr. HOLMES. What right, sir, have I to assume that I have any knowledge as to what is the highest permanent good for this country?

Commissioner WEINSTOCK. Well, we have a right to assume that you ought to have more than average knowledge as to what is the highest permanent good, because the country has given you the benefit of its better educational resources, and assumes, for example, that you are using that intellectual development in the common interest; and therefore you ought to know more than most of us, and that money should be expended so that it will result in the best good to the greatest number. You are an educator, you are an up-lifter, and therefore we have a right to expect more from you than from some of the rest of us.

Dr. HOLMES. I should feel that those advantages, if they exist, sir, should be used for the exertion of the strongest kind of personal influence as a member of the community; but not as to the dictation to the administration of such boundless, stupendous source of power as is contained in \$100,000,000.

Commissioner WEINSTOCK. Were you present, Doctor, when Mr. Rockefeller testified?

Dr. HOLMES. I was not, sir.

Commissioner WEINSTOCK. Have you had an opportunity to read—

Dr. HOLMES (interrupting). I have read his testimony only as it appeared in the press.

Commissioner WEINSTOCK. Well, you may recall—perhaps that phase of it was published—that the point that you make was made with Mr. Rockefeller, and the question was raised as to whether or not his foundation might not turn into a menace—might not be used for unholy purposes as well as holy purposes—and his answer to it—and I should like you to criticize that answer if the answer is not a sound answer. His answer was that the people had the matter wholly in their hands; that if the funds at the command of the foundation were improperly used it remained with the people of the State of New York, through their representatives, to annul the charter or to modify the charter; and that therefore the people really retained control and could, in the exercise of their power, prevent the fund from being improperly used.

Dr. HOLMES. I suppose, sir, that that is technically correct, and when I say "technically" I do not mean to say that Mr. Rockefeller was trying to save himself on a technicality. That, I suppose, is technically correct; but I think the history of our country and the political experiences of our country indicate that a battle against a power representing \$100,000,000 is not an easy one, and that the attempt of our political machinery representing the people to get back that power which it has granted in the charter would be a very long and a very persistent and a very difficult fight, especially if the administrators were men who really believed in themselves and in the cause they represented and felt it was their duty to safeguard the trust committed to them. In other words, the difficulty would be exactly proportional to the fidelity and sincerity and the courage of the men administering the trust.

Commissioner WEINSTOCK. Now, if we follow out your line of reasoning, Doctor, to the logical line of conclusion, it would lead us to a position where we would feel that any good-sized sum of money placed in the hands of trustees to be perpetuated and to be used for the common good is unwise; that there is only one channel through which that money should be used, and that is the channel of all the people. Does history in this country demonstrate the correctness of your theory? For example, while such beneficences as those that

were set aside by men like Girard and Peter Cooper and men like Benjamin Franklin or men like Leland Stanford, of California, seem very small compared with the foundation fund set aside by Rockefeller, yet in their times they were relatively almost as large. Now, these beneficences have been in existence, some of them, for a hundred years or over? Can you point out where they have had bad effects? Can you point out where those have proved harmful or—

Dr. HOLMES (interrupting). At the moment I can think of only one specific instance, to which I shall refer in a moment. You will notice that all these beneficences which you have mentioned, if I may be permitted to make this observation, have been of an educational character. The educational field, until very recent years, has been quite remote from the controversial disturbances of political life, as they have on the religious side, but in more recent years the question of institutions of learning has become a burning one, and it is before us now for settlement. So while I should say that with this one exception, while no very serious dangers have been indicated in the past, yet with the formation of these foundations it is bringing these foundations in to the field of the general life, and especially the appearance of these great foundations which have this particular field, which is the situation just now. Now, as to the Girard Foundation, Mr. Girard was a man of religious prejudice, and he perpetuated and immortalized his prejudice in that institution. I think to-day we are realizing that the motive which led him to make that restriction has disappeared, if it ever really existed in his own time; and the fact that that institution is permanently debarred from the influence of organized religion, if I am correctly informed, is an indication of the harm that can be done by any benefaction.

Commissioner WEINSTOCK. You think, then, that on the whole the Girard benefaction has been a disadvantage to society rather than an advantage?

Dr. HOLMES. No, sir; I am glad you asked me that in order that I may correct any false impression that I may have made. I should say on the whole that the balance was on the side of good when you consider all that it has done. But here is a restriction which indicates what one man may do and which may become more serious in the future as religion becomes the more socialized.

Commissioner WEINSTOCK. It may be that you and I as individuals may make mistakes, and that our judgment may not be the best; may that not also apply to collective groups, such as legislative bodies and parliaments, may they not make mistakes?

Dr. HOLMES. Yes; but the price of their blunders is paid for by them who made them, if we interpret parliament as acting for the people. The price of the mistakes of the administrators of great foundations was not paid by them but by those to whom they give benefactions and the whole body of society which may be affected.

Commissioner WEINSTOCK. Let me see if I can sum up your answers and whether I have caught the spirit correctly of what you have said. I got it from your statements, Doctor, that in your opinion large beneficiaries on the whole are along the lines of a disadvantage to society; that is, they are likely to become a menace—they may not, but they are likely to?

Dr. HOLMES. Very likely to.

Commissioner WEINSTOCK. And that therefore, if you had the power, you would discourage rather than encourage them, and speaking for yourself, if you had a large sum of money which you wanted to use for the common good, you would, in place of administering that money yourself and having the revenue from it put in the shape of a fund administered by a stock perpetuating body, you would place it in the hands of all of the people to be used in accordance with the best judgment of the representatives of all of the people.

Dr. HOLMES. The fund to which you refer, of course, is a stupendous fund?

Commissioner WEINSTOCK. Yes. Have I correctly caught the spirit of your opinion?

Dr. HOLMES. Yes; so far as I understand your statements.

Commissioner WEINSTOCK. That is all I care to ask Dr. Holmes.

Chairman WALSH. Commissioner Commons would like to ask a few questions.

Commissioner COMMONS. I think you made a distinction between the title which these large owners have to their property as between an ethical title and a legal title. I take it that you hold that they have a legal title but not an ethical title to their property?

Dr. HOLMES. I have never thought of questioning the legal rights or title of any of these men to the wealth they had accumulated under the laws of the land. I suppose that if laws have been violated in specific instances there might be some question, but as a general proposition I should say that it was rather foolish to question the legal title to a man's property which he has accumulated under the laws as they exist to-day and as they are well understood.

Commissioner COMMONS. What are your views as to the ethical title?

Dr. HOLMES. Ethics and matters of law never run along together; the legal is so much slower than the ethical. I believe the employment of large bodies of men for the making of fortunes by single individuals is unethical. I believe that a person is entitled to compensation for the labor he gives to society, but beyond that nothing.

Commissioner COMMONS. That is to say, you would say that the investment of capital is not a contribution to society?

Dr. HOLMES. No, sir—well, it may be an economic contribution. I would not deny there was, from a certain standpoint, a certain economic advantage in the investment of capital and in the payment of dividends; but I regard it as unethical, and I would refuse to invest any little money I might have in a large corporation.

Commissioner COMMONS. Your idea then is that the laboring force produces the wealth and not the capital?

Dr. HOLMES. Not specifically the laboring force, but it enters more largely into its production. Into the result goes labor, goes brain, and goes the capital which, of course, is the accumulation of vast labor; they must all make a contribution as I understand it. I do not pretend to be a skilled economist.

Commissioner COMMONS. I am trying to get the economic basis on which you base your opinion that this property should be turned over to the Government and should not be administered by the people who have accumulated it.

Dr. HOLMES. I should not say on my idea of ethics as an economist, but from my standpoint as a public teacher.

Commissioner COMMONS. How would you abolish that situation?

Dr. HOLMES. It is very difficult for me to indicate how this great change in society must be brought about, but I believe that it must come. My own ideas are like this: I believe there are two great movements under way to-day, which point the direction in which we shall have to go and are going, and the union between these two great movements is going to bring in the kind of economic organization I would welcome. In the first place is what we call socialism from the economic standpoint, state socialism, the public ownership of all those things that properly belong ethically to the public, by which I mean forest lands, mines, railroads, the telegraph, the telephone, public transportation, and public utilities of that kind, many of which, of course, are the source of our largest fortunes. I believe, however, that that alone can never solve our problems. Therefore I welcome that other movement, more conspicuous abroad than in our own country, which we understand as cooperation. It was more successful before the war, and it is the coming together of the people to do their buying, manufacturing, distributing, and in that way solving the problems of their own economic life. Some time those two things are coming together. I can not say how, but the union of cooperative endeavor with state ownership is going to be the basis of social activity which I would welcome, and which I think is coming.

Commissioner COMMONS. Now, if the State, in taking over these properties, must issue bonds, which will be subscribed to by private parties, the State, according to your ideas, would pay interest to those private parties on those bonds, would it not?

Dr. HOLMES. I confess that I feel utterly incompetent to say how these large properties should be taken over. I know nothing about bonds or stocks or things of that kind, for I never owned any. But I would say that society has never found it impossible to do anything that it has found necessary to be done. When a State goes to war it gets the money for that purpose; and I believe the way will be found, as soon as it becomes as important to save life as to destroy it, for the proper acquisition of all these things.

Commissioner COMMONS. Is it your proposition to equip the Government with the political machinery for doing this kind of work that you suggest, such as the aid of politicians and the other things these foundations are doing?

Dr. HOLMES. I see no difficulty. The history of our country shows that we have been able, in situations of this kind, to find the ways and means of ex-

tending its activities in the direction of solving these problems. Personally I feel that the recent developments in the political field, along the lines of commissions, the appointment of experts, the initiative and referendum, are bringing a larger responsibility on the part of the people, and all these things show that our democracy is awake on this question and is now feeling its way toward the building up of machinery and methods which will enable it to handle these things.

Commissioner COMMONS. Do you think that at the present time our democratic institutions are adequate to do this work?

Dr. HOLMES. That is, the work that is being done by the foundations.

Commissioner COMMONS. Not only that, but the management of industry as you have outlined—to conduct both industry and foundations?

Dr. HOLMES. I believe the Government is not now competent. I mean by that, if I may define it particularly, that if all these things were placed on the Government to-morrow a catastrophe would follow—it would be unspeakable disaster. But I believe that society, as the individual, gains strength and learns method by the acquisition of responsibility, and that our democracy will fit itself as in the natural course of evolution these responsibilities are placed upon it.

Commissioner COMMONS. Upon the reaching of that stage where our democracy would be competent, I take it, you would have our democracy designate the directors and trustees of these foundations?

Dr. HOLMES. I suppose that would be the next step. The thing I am after is this, that the people shall be made responsible by some method for these benefactions. That responsibility will come, and the people will become intelligent enough to take over the entire directorship. I would like to see the benefactions in the hands of the people, but later they must disappear, as we want to get away from the unequal distribution of wealth.

Commissioner COMMONS. Do you feel that our Governments, State and Federal, under the present system, would be competent to designate competent men to direct these foundations and also these industries?

Dr. HOLMES. It does designate competent men for the accomplishment of as great or greater tasks; for instance, if a peace conference is held at the conclusion of the present war in Europe our Government will appoint representatives to attend that conference and take part in its action, and that is a greater task than the one you mention.

Commissioner COMMONS. Have you ever investigated instances where governments had appointed one or two directors out of a number, as in the case of the Baltimore & Ohio Railroad and other cases?

Dr. HOLMES. In cases of that kind I should say I have no knowledge. I am only familiar with such commissions as the Anthracite Coal Commission and such bodies as this—large commissions which have attracted public attention and which therefore I have noted.

Commissioner COMMONS. You are not aware, then, of any evidence that would go to show that when the Government goes into cooperation with these private enterprises and appoints directors that immediately the private enterprises get control of the Government in order to designate the politicians who shall be named on the boards of directors? Has that been brought to your attention?

Dr. HOLMES. I have heard rumors of that sort, one from your own State. I am acquainted with one of the regents, I believe you call them, of your university, and I have heard stories of undertakings of that kind, nothing but rumors. I do not know of any such fact. That does not frighten me a bit. Those things correct themselves.

Commissioner COMMONS. Do you not think there would be more danger in the Government participating partially in these private foundations than there would be in it taking them over altogether?

Dr. HOLMES. I was thinking only of the difficulty of doing that thing all at once. I do not think it is feasible to take over these foundations to-day; I do not think the state of the public opinion would warrant that. I should welcome that as a better way of doing things than the things I have proposed, but I have learned by experience that the step-by-step method is the only proper way.

Commissioner COMMONS. Have you thought that step-by-step method could involve great political corruption?

Dr. HOLMES. I wish I could make my mind clear on that matter of political corruption. That does not disturb me any because the people have it in their own power to correct occurrences of that kind. Indeed, I would go so far as to

say that I would rather see democracy die of its own corruption than be favored by the autocratic benefaction or service of any one particular individual. A new democracy would rise to take advantage of the lesson learned in the fall of the old one.

Commissioner COMMONS. Have you considered the proposition of what a national university ought to do to offset what you call the sinister influence of these private foundations?

Dr. HOLMES. I have never considered that except along the line of thought in my own mind, that it seems to me ridiculous for the United States Government to go into the establishing of large universities when we have now more universities, large and small, than 90,000,000 people know what to do with. I believe in the public university, especially as they are exemplified in the States of the Middle West, but I can not see where there is any need of the United States at the present moment going into the university business.

Commissioner COMMONS. Is it your feeling, Doctor, that the State should take over these private universities?

Dr. HOLMES. It seems to me that is going to come eventually.

Commissioner COMMONS. And have them all operated by the State as the foundation should be?

Dr. HOLMES. I think so, that is a logical corollary, the great universities like Harvard, Yale, the Chicago University, and so forth.

Commissioner COMMONS. Have you considered whether or not the establishment of these private universities has not been the great stimulus which has urged the States on to set up their own universities? For example, in the State of Illinois, the State never took any steps toward State university of any great consequence until the Chicago University was established by Mr. Rockefeller. Is competition between State and private institutions a good or bad thing?

Dr. HOLMES. Competition is undoubtedly advantageous. Purely from an ethical and democratic point of view, I should say that I will welcome the time, but shall never see it, when education shall be only in the hands of the public.

Commissioner COMMONS. You do not see any particular spur that might come to our democracy to offset these private foundations in counteraction by these public institutions?

Dr. HOLMES. I see the spur in the present condition of the public mind, the present state of the public intelligence; the example of a private institution, well managed is, of course, a stimulus to a public institution. The taking over of the private institutions will not come until the public mind is educated to that point, and then it will take that step. My idea is that no corruption of men or legislatures shall be forced upon the public in the ownership or control of these things when the public is fully educated to a knowledge of them.

Commissioner COMMONS. Do you apply your position equally to those lines of activity which might be called scientific, such as medical research, the astronomical, and also as to those which are industrial and political? Is there a distinction in your mind between the foundation going into these industrial questions or political questions, and as to going into the field of medical research?

Dr. HOLMES. The contrast between the work done in this Colorado situation and that of the Rockefeller medical institution?

Commissioner COMMONS. Yes.

Dr. HOLMES. There is a very real distinction there because the Rockefeller Medical Institution does not touch these controverted questions as does, for example, the other in the matter of the Colorado miners. To investigate the germ of infantile paralysis is one thing, and to investigate the rights and mode of living of the Colorado miners is quite another thing. There is a distinction there. Nevertheless, the distinction is not so sound that I would ever feel it necessary to keep scientific research in the hands of private individuals, although I believe it will always be there so long as human beings remain curious as a result of their natures. Take for example the successful investigation into the causes of yellow fever; that shows what can be done by the Government when it sets itself out to do it.

Commissioner COMMONS. You would not apply your reasoning then to the Rockefeller Institute for Medical Research in the same way that you would to the Rockefeller Foundation going into the industrial situation?

Dr. HOLMES. Logically, I would not apply it the same way. The thing that you are investigating does not impress itself on us in the same way these other things do.

Commissioner COMMONS. Have you followed the work of the Carnegie institution in its investigation of industrial questions?

Dr. HOLMES. Not to any extent, sir; no.

Commissioner COMMONS. You do not know whether the tendency of these foundations is to avoid, rather than take up, these industrial and political questions?

Dr. HOLMES. I could not answer that question. I have no knowledge which would warrant an answer.

Commissioner COMMONS. Do you consider—you perhaps have considered Mr. Rockefeller's statement that he thought that the present control the legislatures have over charters is sufficient to guarantee—or perhaps you saw that in his testimony?

Dr. HOLMES. Yes. I answered that question of Mr. Weinstock's. Perhaps you were not in the room at the time.

Commissioner COMMONS. I was here, but did not get your idea. The question is whether there should not be some change in the power of the legislature at the present time to regulate these foundations or modify the election of directors, or is it sufficient, as seemed to be the tenor of his argument, to leave it to those future generations to take care of those things when they wished, the understanding being that the reserve power of the State over charters and contracts is adequate protection when a menace becomes serious; or do you think it is so serious at the present time that it should be taken up by the legislatures at the present time?

Dr. HOLMES. I believe the menace is already with us. I should welcome a report on the part of this commission pointing out that menace and recommending the amendment of the charter, directing that all action should be put into the hands of the people, and ultimate responsibility for the direction of these great benefactions. Mr. Rockefeller is undoubtedly technically correct. I have no knowledge of the charters, but I assume he is technically correct.

Commissioner COMMONS. The State would have to fall back on its reserve power if it attempted to amend any of these charters at the present time, and your idea is that it should amend these charters at once?

Dr. HOLMES. Yes; the longer a foundation like this lasts, the harder it is to make a change. After it has gone on a certain length of time you can not change it, you have to break it.

Commissioner COMMONS. Do you consider that might discourage the further establishment of foundations, if parties having these large fortunes find that they are to be regulated in some drastic way and they would not make further endowments?

Dr. HOLMES. I suppose that would be the result, and I should welcome such a result. Any new foundation is an added menace along the lines which I have tried to indicate.

Commissioner COMMONS. So you would not consider that a disadvantage, the matter of establishing more drastic regulation in the way of public control?

Dr. HOLMES. Not at all; I should say it was a great advantage, as indicating to our wealthy men and families that society was learning that these things ultimately are to be put in the hands of the people.

Commissioner COMMONS. A great many people having large fortunes spend their money in other ways, such as giving entertainments, in traveling, on yachts; would you correct that also?

Dr. HOLMES. Why, I can not see that at the present time we have any particular need of going into sumptuary legislation. If people want to spend the money that comes to them in legal channels that way, that is their business.

Commissioner COMMONS. Would you consider it better for the State to let them spend their money in those ways—simply for their own enjoyment, or let them have liberty to carry out their own ideas for spending it for the public welfare?

Dr. HOLMES. My idea is that the action of the State should always be determined by the public necessity and interest so far as it is directly affected by the acts of individuals. To my mind if a person should endeavor to spend a large sum of money, not only for his own pleasure, but to set up a house or institution of corruption, the State could immediately interfere. It has learned to interfere, as it is now interfering, in the liquor and brewery business in many States, but the matter of individual expenditure along the line of individual follies or vices and that sort of thing, I confess for the moment I can not see how interference is going to be done even though such interference might be welcome from an ethical point of view.



Commissioner COMMONS. Suppose that Mr. Rockefeller had spent this \$100,000.000 for his own pleasure, and his son should go ahead in the same way, would you say that you would not interfere in that, but that you would interfere if he proposed to spend it in what he considered a public movement?

Dr. HOLMES. That is one of the strange anomalies of the situation and analogous to the preliminary statement I made, that the menace of these benefactions is in proportion to the integrity, vitality, and courage of the men who administer them.

Commissioner COMMONS. Does that answer my question, do you think?

Dr. HOLMES. I did not try to evade it. I have tried to state clearly my opinion that this is not the time for sumptuary legislation. I understand that is what your question covers. If Mr. Rockefeller spent his money in that way and not in the other, he would be a man of lower character. And I do not mean that he is a man of low character.

Commissioner COMMONS. I understand that your proposition signifies that you would enact legislation that would entirely discourage the spending of it in the way he proposes to spend this money, and the alternative would be for him to spend it in the other way, for his own pleasure?

Dr. HOLMES. Your questions have brought us to a very important point, from the standpoint of ethics, and that is that a man who has a large fund of money and faced with the problem of spending it he can not do it ethically. The ethical problem of spending a large fortune is one of the strongest indictments against the accumulation of it.

Commissioner COMMONS. Then we get to your idea that this property does not really belong to him, and that he should turn it back to the State?

Dr. HOLMES. That is for him to say, whether he should turn it over to the State, from an ethical point of view. I think that the acquiring of large fortunes, which are gained by the efforts of others, is wrong, and the person holding that fortune is faced by ethical problems which he can not solve.

Chairman WALSH. Commissioner Ballard would like to ask some questions.

Commissioner BALLARD. I understand you to say that you do not invest your savings in securities such as stocks and bonds; how would you advise a man to invest his savings?

Dr. HOLMES. I never have been faced with the problem of investing savings, and I do not know what to say. I will state frankly what I do. As a matter of fact, I live on my salary, and I use a portion of that salary for such life insurance as I feel is sufficient to properly safeguard the future of the woman I married and the children I may bring into the world. In addition to that I keep a small sum in the bank for the education of my children and as a protection against disease and other hazards of modern life. The interest that comes to me as an income from that money which I have in the bank, and which I keep at a definite figure and never go above, I spend apart from my own personal interests. I have tried to adjust myself to things as they are.

Commissioner BALLARD. Then you recognize the propriety of people looking forward to the future and making provision for those dependent upon them? And of course you know that insurance companies, in order to provide funds so that they can pay their policies have to invest their money in these very stocks and bonds that you state individually you would not care to invest in?

Dr. HOLMES. Yes, sir; and that is one of the incidents of the present situation, and one that I am utterly unable to meet myself. I find that it is necessary to make provision for my wife and children in order to protect them, and I know of no other way to do it than by taking out a policy in a private life insurance company.

Commissioner BALLARD. I gather from something you said in the beginning that you were inclined to the opinion that in these industries they should be more or less cooperative and that all of the individuals in them should work for their own good. I think there have been a good many so-called societies which have gone to rather sparsely settled parts of the country and endeavored to work out their lives independent of others. Would you not recommend small industries of that sort?

Dr. HOLMES. They always offer an interesting experiment, but we all know that the great majority of them have been practical failures. Cooperative movements, like the cooperative movements of Belgium and England and other countries which are coextensive with the whole national fabric, are what I have in mind.

Commissioner BALLARD. You of course recall that the law creating this commission requires that we should make a recommendation to Congress giving

some of the solutions of the problem of unrest or industrial unrest. Can you in short suggest to us what we should report in that line?

Dr. HOLMES. My feeling on the subject of industrial unrest, sir, if I may speak for a few moments on this question, is that on the surface and in the most superficial way that unrest comes from a desire on the part of the great masses of the working people for better conditions of living and better labor conditions as the result of education. People educated to a certain extent come to demand certain things, and rightly so. Developing out of that, I believe, as one of the causes there is recognition of the inequitable distribution of wealth of which a great foundation of \$100,000,000 is an imposing example. People are coming to feel that these enormous inequalities represent nothing that is ethical.

Then underneath all that I think as the deepest root of all is the fact that we are beginning to recognize that there is no proper relationship between our industrial and our political systems. In other words, we have in this country to-day, as we did before the war, a house divided against itself, and that there is in some part a political democracy, and inside of that or alongside of it an industrial autocracy. Those two things can not live together in the same family. And I believe that right there is the real one of all of our causes of unrest. In other words, if some humane and proper conditions of life and labor were established, and if some way were found to distribute the wealth more equitably I believe that the unrest would still be here, and that as expressive of this feeling people must have a voice of responsibility in the democracy of industry, the same as they do in government and politics. Now, I don't know whether you want me to go on and state just how I would meet that unrest.

Commissioner BALLARD. Yes; I think so.

Chairman WALSH. Oh, yes, indeed.

Dr. HOLMES. Let me take the last matter first—that unrest is the expression of a desire for true industrial democracy. Underneath that, as I view it, is the problem of reconstructing our society upon a democratic basis. In other words, it is a problem of transition from autocracy to democracy in industry. Now, experience has usually shown us that transition is made by revolution, violence, and conflict upon the part of groups of people. I pray and trust, and I know you and others pray that that method may not be the method resorted to in this case. In other words, are not we wise enough and sane enough and sympathetic enough, especially have not we learned the lesson of democracy enough to make this transition along the lines of sane development rather than along the lines of violent outbreak.

One of the greatest disappointments of the present situation in America to-day is that our laboring people, especially our trades-unions, have shown no ability to establish the cooperative merchandising in industry or cooperative mercantile establishments in connection with industry after the example of those which have been so successful in Belgium and England. One of the strangest things in the world to me is the fact that trades-unions or labor unions have not undertaken to work along that line as has been done and been approved in other countries. A long step in advance would be made if our laboring people should show constructive initiative in that direction rather than resort to violence and outbreak and strikes and everything of that kind.

As another, and as I regard it the second, cause of unrest, the inequitable distribution of wealth, I believe that very radical measures along the line of Government action must be taken sooner or later. In other words, I can not see that that thing is ever going to cure itself. The public ownership of railways and natural resources and the readjustment along scientific lines of the tariff and taxation along the lines of the Lloyd George principles in England, taxation of land values, and taxation of incomes and inheritances, which is just beginning to adjust itself to our people, and above all the result of grappling with problems of dividends, all these things must contribute to the solution of this problem, and we must determine along what lines action is to be taken if we are ever to get hold of this problem of the inequitable distribution of wealth as it now is. And the appeal, as I say, is all to Government action.

As regards the bringing about of better conditions of life and labor, I believe here that the trades-union movement, of course, has done a great deal of good. I recognize also what enlightened employers like Mr. Ford, who appeared before this commission, have accomplished. In neither of these cases, however, do I see any solution of the problem of better conditions of life and labor. The trades-union movement has used the wasteful means of strike. While I sym-

pathize with the strike in 99 cases out of 100, it is so wasteful and accomplishes really so little that is tangible. Then the trades-union movement itself is essentially autocratic. It is approaching now the point, to my mind, where trade-unionism is itself to be considered as undemocratic rather than the friend of labor as far as the ultimate solution is concerned.

As regard these employers like Mr. Ford, whose generosity, wisdom, and vision we all of us recognize gladly, here again I see no solution of the better conditions of life and labor. In the first place, there are very few men with business like that of Mr. Ford and the comparatively few who have attempted to work along his lines.

Miss Tarbell, who appeared before this commission, indicated that the golden rule was now being practiced more in business than ever before, but I believe it is not an exaggeration to say that the golden rule is somewhat of an exception. Mr. Ford has won his international fame largely because he is not a type, but is an exception.

Then, in the second place, this resort to the enlightened employer offers no permanent solution here, by reason of the fact that many, many men, some of whom I know, as you undoubtedly do, might be likewise disposed, but they are not in industries that pay them over a thousand per cent profit on the work done. I have myself visited many of these places in England and in this country, some of them, and in each case I have found conditions—business conditions—which have brought in profits which have enabled this thing to be done. And I will venture to say that when you talk with these men in your own parish and within your own circle of friendship and say to them, "Why don't you do this?" he holds up his hands in holy horror and talks about profits of 6 per cent and 7 per cent and 8 per cent and 9 per cent.

In other words, I think in this case, as in that of the inequitable distribution of wealth, that the people of the United States have in their hands the machinery to solve this thing of industrial democracy as they have solved other problems. And if they fail to use that machinery, as they failed before the war to use the machinery that they had to settle the slavery question—and we know to-day that that machinery could have been used, for I feel that that conflict, which we speak of as an irrepressible conflict, was, as Mr. Seward said, irrepressible because of the passions of men, and not because there was not at the disposal of the Government men of capability to settle it. Now we have this machinery. Are we going to solve this problem free from prejudice and the passion resulting on both sides and which expresses itself in the outbreaks of the respective parties, or are we going to let the Government settle it on the basis of legislation? So as to the proper conditions of labor, as to the number of days, and the six days' work a week, and the eight-hour day, and the minimum wage, and the abolition of child labor, all these things are things that can be immediately solved and disposed of as we know they have been in certain communities where laws have been passed for the solution of these difficulties. I hope and pray for the establishment everywhere, by devices of this kind, of proper conditions of life and labor. The pressure of that sort of thing, the starving, the freezing, the unemployment—when these have been removed, then we shall be able to get hold of this thing of inequitable distribution of wealth, which is so potential though in the background.

Commissioner BALLARD. That is all, thank you, Doctor.

Chairman WALSH. Mr. Lennon has just a question or two.

Commissioner LENNON. I want to ask you a question that will give me some personal information that I feel as though I desire. I want to know how your life has been cast as giving you the knowledge that you express as to industry?

Dr. HOLMES. Of course, you understand, sir, that is talking about personal matters and biographical matters that I do not voluntarily intrude upon your attention; but if you ask the question, I have nothing to conceal. I was brought up in a family that never had any very great amount of money. If I may say that when I went through college I had to work my way part of the way, and through scholarships, and I never have known what it is to have sums of money at my disposal. I graduated from the public high school in Massachusetts and went to Harvard University, went to the college three years, and took three years in the divinity school, graduating in 1904. In 1904 I was called to a church in the suburbs of Boston, and remained there until 1907, when I came to this city, and I have been the pastor of the Church of the Messiah since that time.

My father had been in various lines of occupation, as clerk and in the furniture business, and one thing and another of that kind. I came out of college, if that is any enlightenment to you, I came out of college a Spencerian, sociologically as well as biologically. I became fascinated by Spencer and his economic philosophy while I was in college, and I studied him extensively and came out a convinced individualist to the extent that in my early years as a minister my opposition to trades-unions was bitter, and I denounced socialism in the true and tried method of the man who knows nothing about it. [A laugh in the audience drew from the chairman an injunction to order.] You will understand, sir, that I was not trying to raise a laugh—

Chairman WALSH. Indeed, I know that. I have to do this very frequently.

Dr. HOLMES. I meant that very sincerely. I knew nothing about it.

Chairman WALSH. You do not need to regret anything. I have had to do this with many witnesses. You may proceed.

Dr. HOLMES. In the first one or two years of my ministry I spent all of my time in preaching and my views were somewhat academic, as, I suppose, any college student. My first invasion into the social field was through the Associated Charities of Boston. I sat on the neighborhood board in which my church was located for a period of three years, and in that time gained more or less experience as to the conditions of poverty and the problem of living by the wage earner. Then when I came to New York I got launched into this great community and began to learn things very rapidly; and I suppose from perhaps a period of six years ago I have given myself as a clergyman principally to the study not of theology or Christian history or biblical criticisms—I don't suppose I have read a book on biblical criticism in five years save perhaps to glance at one then as it came from the press. I have given myself principally to the study of economics and of industrial conditions. I believe, sir, that the problem of the church to-day is the problem of industry. I believe that applied religion finds its application to-day in that field and that no minister can serve his own parish, least of all serve his community and country at large, unless such ways are open to him in the public discretion and the study of and meeting of all sorts and conditions of people and trying to serve, and that he acquaints himself with conditions as they are and in his thought and of course in his modest way tries to analyze causes and to find cures.

Commissioner LENNON. Thank you, Doctor. Do you believe that the principles as indicated in the parable of the Good Samaritan are necessary for application by a true Christian?

Dr. HOLMES. The principles told us in the story of the Good Samaritan are, of course, a fundamental part of Christianity. Charity from person to person in the ordinary individual relationship will never disappear from this world, no matter how perfect a state of justice may be established. But this I believe, and I say it with all reverence, that had Jesus of Nazareth, when he told that story of the Good Samaritan, been living in these days, he would have told it in very different terms. In other words, there is another problem involved than the healing of the wounds of the man he found on the roadside.

Commissioner LENNON. I think so, too. In speaking of the necessity for democracy, has your study convinced you that as you placed greater responsibility on mankind in the exercise of democracy that they will grow to make good in the administration of it?

Dr. HOLMES. It is difficult for any man, I suppose, to have experience wide enough to speak out of experience on that; but so far as I can speak, with the limitations of my own experience, I would say yes, that that is the only way to develop power; that is, to impose responsibility. We find that in the life of a child every once in awhile parents' training goes to pieces because the burden of responsibility is too great. That happens also in society. But the method is not vitiated by reason of that fact.

Commissioner LENNON. Do you recall any instance where the retention of teachers or professors in colleges largely endowed by donations of individuals or by foundations whether that has had to do with the retention of these professors? Do you recall any of those instances where it seemingly on the surface had that operation?

Dr. HOLMES. I have heard the same stories, of course, that you have; but upon my word I have never been able—I have no personal knowledge that would warrant my expressing myself. Of course, the Ross episode and the Chancellor Brown episode and things of that kind are familiar to me, but I know nothing at all about them.

Chairman WALSH. Commissioner Garretson would like to ask you some questions.

Commissioner GARRETSON. Doctor, you made the statement earlier in your testimony that the ethical was always in advance of the legal aspect of a case. Isn't there a further subdivision somewhat necessary there in the statement of that opinion, to the effect that the ethical is always in advance in its concept, but the legal is always in advance in its practicality?

Dr. HOLMES. I should say yes. The difficulty is that we have our ethical ideals, but when we try to put them up in practice we run plumb up against the law.

Commissioner GARRETSON. The legal man has already got there.

Dr. HOLMES. Yes, sir. In other words, ethics would at times advocate a violation of law, and I would not recommend that process.

Commissioner GARRETSON. From your observation and as your opinion, would you be of the belief that the State is exactly like an individual in this, that the nonuse of a series of muscles, failing properly to exercise their function, or failing to exercise their proper function, they become atrophied by nonuse?

Dr. HOLMES. That is a very difficult question, Mr. Garretson. I do not feel like answering it except by generalities.

Commissioner GARRETSON. The question is only general.

Dr. HOLMES. That question, it seems to me, depends upon the familiar analogy between the state of an organism and the individual as an organism. I believe that in many points the analogy made so familiar to us by Herbert Spencer has broken down, but I do not really feel competent to point out one instance against another where it has fulfilled it, as it has in many cases, and where it has broken down.

Commissioner GARRETSON. The further application of it would be simply this, that if private agencies were enabled through noninterference of the people to take up the burden of education, the burden of information, the burden of spiritual direction, would that eventually result in the paralysis of the State in those directions, unless they reasserted the right?

Dr. HOLMES. The tendency, it seems to me, would be markedly in that direction. I hesitate to answer that, however, because I can not think of any specific instance to warrant the opinion.

Commissioner GARRETSON. There is no specific instance of those functions being exercised that I can point to; but if the tendency is in that direction, what I desired was your opinion as to what would probably be the natural result thereof.

Dr. HOLMES. So far as I can understand, what you are aiming at by that question, it is the thing to which Prof. Commons referred in his reference to the conflict between the private agency and the public agency.

Commissioner GARRETSON. Exactly.

Dr. HOLMES. Yes.

Commissioner GARRETSON. Only applied in a little different way.

Dr. HOLMES. Yes; it seems to me—well, may I put it this way: My idea about social problems is that the people shall come to do all those things that they can do for themselves. For instance, the matter now pressing upon this city of unemployment, we are just beginning in that feeble way to take up the matter of the city unemployment bureau. Here, and only a few days ago, we had a meeting at my church on the matter of unemployment, and a gentleman came up there representing an organization—private employment agencies—to protest against the organization by the city of a municipal agency which would try to bring the job and the man together without expense to the man.

Commissioner GARRETSON. Is not the greatest existing evidence of the effect, as evidence not by decadence, but by the growth of the Interstate Commerce Commission as at present constituted, considered from the standpoint of the history of its inception where every constitutional ground was set up that the Government could not do it, still it has grown to where it exercises a potential control directly along the line that it was denied the Government had the power to exercise?

Dr. HOLMES. You mean that the Government, any Government institution will inevitably develop an enlarged function?

Commissioner GARRETSON. Regarding the statement that was made here on the stand as to the control of foundations and as to those references to the reserve power—that was not the phrase used, but that is what it comes to, the reserve power of the State to control—and the statement that it was believed to be efficient in the case of those foundations that are now existing,

have you seen any instance where that reserve power which must apply equally to all or none has ever exercised effective control over a vast combination of capital in corporate form?

Dr. HOLMES. I do not think of any at the particular moment.

Commissioner GARRETSON. Prof. Commons calls my attention to the fact of national control of railways, corporations, as a possible evidence of that. Has that control ever dealt with anything but the question of simply power?

Dr. HOLMES. Has that to do with reserve power like the granting of a charter? I do not exactly get the idea.

Commissioner GARRETSON. The parallel is not perhaps exact, but aside from that then you know of none?

Dr. HOLMES. If I may speak of that analogy, in one sense it seems to me to compare with the reserve power of the State. With reference to the Rockefeller Foundation, it seems to me stretching things a good deal when you come to dictate rights of that kind. I think the legislature of New York would hesitate to dictate anything of that kind in reference to the Rockefeller Foundation.

Commissioner GARRETSON. Could or could not this tendency readily arise? We heard some testimony here in regard to the influence that is exercised educationally by already existing institutions, and the suspicions evidenced in the minds of some as evidence in a resolution passed by the National Educational Association in regard to the domination already exercised in this direction by existing foundations. Follow that to its logical sequence. Allow the educational institutions to be dominated from the kindergarten to the high school. Follow it up with endowment of colleges both theological and secular, reinforced by pension to the spirits dominating those institutions. What would reserve power be worth after 20 years and its influence?

Dr. HOLMES. I think, sir, it would be worth practically nothing. That is the reason I called it a technicality.

Commissioner GARRETSON. That is all.

Commissioner WEINSTOCK. You expressed the hope, Doctor, that this commission would recommend that the charter granted by the State of New York to the Rockefeller Foundation be altered or modified or changed. Did I understand you correctly?

Dr. HOLMES. Yes; I think I said that, but through the asking of the question it raises in my mind whether it should refer to the United States Government. We are in New York City.

Commissioner WEINSTOCK. Now, what modifications and changes in that charter would you advise or suggest?

Dr. HOLMES. I believe the modifications and the changes should be in the direction that I have proposed, perhaps sketchily indicated here; that is, I would welcome by some method—I do not know as I can specify it—that the people, or the representatives of the people, shall themselves have a very large and perhaps predominating voice in the administration of the foundation. That is the only way to escape this conflict, it seems to me, between the public interests and the ideas and ideals of a small group of men exercising stupendous power.

Commissioner WEINSTOCK. In other words, you would have the State of New York, through its representatives—for example, say, through the governor—appoint a certain percentage of the trustees of that fund?

Dr. HOLMES. Yes; that particularizes it pretty definitely, as it would in the case of the State university have the same kind of control.

Commissioner WEINSTOCK. You also made the statement, I think, Doctor, that in your opinion the great accumulation of wealth, while it might be legal, is unethical. Did I understand you correctly?

Dr. HOLMES. Yes, sir.

Commissioner WEINSTOCK. Well, now, where would you draw the line and at what point would you say that the volume of wealth is unethical?

Dr. HOLMES. I do not know as I ever have in my mind been able to draw the line as to just where a certain amount of money is ethical and a certain other amount unethical. But I look at what we call fortunes, either these fortunes have come on the whole from resources, from places, by methods which do not bear any very close relationship to the individual or the group of individuals enjoying the fortune.

Now and again a man makes a great invention. Now and again he strikes the happy combination of business like Mr. Ford and he takes full advantage of it and reaps enormous profits. Those are exceptions. But the problem of the fortune and the problem of the inequitable distribution of wealth and the

money that comes in the form of dividends and investments and one thing and another, from definite areas of land, the mineral resources and special privileges and things of that kind—in my private life I feel I should always get worried if I found that an amount of money was coming into me—pardon me for putting it in personal form—if I found an amount of money was coming in to me which did not to my mind bear a fair relation to the kind of work I am doing.

Now one man may think a minister in any city is not worth much more than five or six hundred dollars on an average—the average wage that they get. I may say from my own point of view I believe that a minister is an important member of the community and has the opportunity of offering very valuable service and is entitled to compensation. But if that compensation got up into thousands of dollars a year, because he was a member of a rich church, or rather a minister of a rich church, or because he had been fortunate in making investments or because he inherited property, I personally should feel worried and look for a way of getting rid of it.

Commissioner WEINSTOCK. Where, Doctor, would you fix the limit, where you would you draw the line as to what should be permitted and what should not be?

Dr. HOLMES. If I may again make a personal reference, the way I look at the matter, if I got an amount—which I do not get—that was equal to \$10,000 a year, I can not imagine that I could possibly be worth that much.

Commissioner WEINSTOCK. Don't you think \$500 a year—the \$500-a-year preacher would look upon you as exploiting if you got \$10,000?

Dr. HOLMES. I imagine that he would. I rather think he would think there would be an inequity there, that any minister should serve a church 12 months in a year and seven days a week for five hundred or six hundred a year is an outrage. The change must be made there and not at the other end.

Commissioner WEINSTOCK. On the other hand, might not the \$500-a-year minister, who may be able to live within the modest income, look upon it as an outrage, another who would get the \$10,000?

Dr. HOLMES. That is a matter of personal opinion which inevitably comes in. That is where such great foundations which we are talking of are vitiated by the personal idea that comes into the administration. We can't go behind this question.

Commissioner WEINSTOCK. And you also made the statement, Doctor, that you think that the wealth made by the labor and brains of other people ought to belong to all the people?

Dr. HOLMES. Brains of other people?

Commissioner WEINSTOCK. Yes; I think I took down your expression literally. You spoke about wealth being made by the labor and the brains of other people.

Dr. HOLMES. I think I was referring to the private individual or family that received a large income from the labor or brains of other people; yes.

Commissioner WEINSTOCK. And you regarded that wealth as unethical?

Dr. HOLMES. It seems to me so, if it offers no fair return for what the person is doing.

Commissioner WEINSTOCK. Would you say, Doctor, that all great wealth is unethical or only certain kinds of great wealth is unethical? If you differentiate it, what would be the line of differentiation?

Dr. HOLMES. Why, the line of differentiation, of course, is the relationship between the person receiving the money and the service which he offers to the community. I can not conceive of any of our great fortunes bearing any relation to that particular kind of service. Grant, if the personal reference is not out of order—Mr. Rockefeller, granting that he is a very wise and good and generous man, as we all like to think that he is, is it conceivable that the fortune which he is to enter upon some day, if he has not already done so, or any portion of that fortune, can be justly regarded as properly his, even though it belonged to his father? I am not questioning it does not belong to him.

Commissioner WEINSTOCK. What amount of great wealth would you regard as ethical?

Dr. HOLMES. I do not know of any great wealth I would regard as ethical; but I say the service given to the community is limited.

Commissioner WEINSTOCK. Let me cite a case and let me ask you whether you would regard the wealth as ethical or unethical. Let us take, for example, Mr. Edison, who by virtue of his inventive genius has revolutionized industrial conditions. Mr. Edison brings forth ideas that add tremendously to the wealth

of the Nation, that open out new and better avenues of employment to untold thousands, that injure no one but help everyone, and by virtue of his doing that he accumulates great wealth. Is that wealth on his part ethical or unethical?

Dr. HOLMES. I believe that the case of a man like Mr. Edison offers a very fair—although I think it would be possible to argue that it comes within the generalization—offers a very fair exception. There is, of course, no way of knowing or estimating the contribution that a man like Edison has made to the community. The thing that tends to persuade me to dismiss that sort of thing from my mind as representing anything that is at all perilous is the fact that he may be such a man who cares nothing about money.

Commissioner WEINSTOCK. He keeps it, just the same.

Mr. HOLMES. I do not happen to know about Edison's private affairs; but I am not aware that he is a man—is he?—I was not aware that he is that kind of a man.

Commissioner WEINSTOCK. I am speaking, in taking Mr. Edison as a man of reputed wealth. He may not care about it, but he has it just the same, I take it.

Dr. HOLMES. Yes.

Commissioner WEINSTOCK. Now, furthermore, in answer to questions of Prof. Commons, you emphasized the fact that you regard these great foundations as a menace. If they are a menace, they are an evil; they are not a good. On the other hand, I take it that you will admit that if a man with Mr. Rockefeller's wealth were to spend it in reckless and riotous living, which would not only be injurious to himself but, by example, injurious to society generally, you would regard that also as an evil, would you not?

Dr. HOLMES. I certainly would regard it as an evil.

Commissioner WEINSTOCK. Which of the two would you regard as the lesser, the recklessness of the life of the one or the great foundations for the general uplift as the other?

Dr. HOLMES. That is a question, it seems to me, quite impossible to estimate, certainly to any great degree. We must agree to this, that from the standpoint of the individual no man can—to treat the thing from an ethical standpoint. Mr. Rockefeller could not but regard himself as custodian of this wealth. He believes he is entitled to his wealth. There is nothing to prevent him from spending it for the good of others rather than upon his own selfish whims and fancies. But that hard and fast comparison and that dilemma breaks down, it seems to me, the very moment we come to view this thing from the standpoint of the ethics of the individual and find the man burdened with that stupendous sum of money and with the whole of the society of which he is a single member. Now, from that standpoint that stupendous burden, both from the standpoint of its origin and of its expenditure, is a potential evil. But there is another way out, it seems to me. Shall Mr. Rockefeller sit down and say, "Shall I start a foundation or shall I be a prodigal and spend my money in riotous living?" Not at all. There is a third way. He may even use his wealth for working out with the United States Government a way of taking it over and handling it; or he might consecrate it to social work which will lead directly to the elimination of great fortunes; or he may do the perhaps what you would call the silly thing; or he may turn it over to the Government, as Mr. Roosevelt passed over the \$40,000 Nobel prize. There are other recommendations.

Chairman WALSH. Might I ask you to get from our files the Peters bill, which was the proposed act of Congress chartering the Rockefeller Foundation, the present charter of the Rockefeller Foundation, and secure any other data that you may desire and give us written recommendations as to what restrictions might be placed upon these foundations, following the questions asked by Commissioner Weinstock?

Dr. HOLMES. I should be very glad to do so.

Chairman WALSH. If we might ask that without considering that an imposition?

Dr. HOLMES. Not at all. I should consider it an opportunity.

Chairman WALSH. Thank you. You may be excused permanently.

At this point we will take a recess until 2 o'clock this afternoon, at which time I understand we are to meet in the aldermanic chamber across the hall.

(At 12.30 of this Thursday, January 28, 1915, a recess was taken until 2 o'clock in the afternoon of the same day.)



AFTER RECESS—2 P. M.

Chairman WALSH. The house will please be in order. We will proceed now.  
Mr. Cutting.

**TESTIMONY OF MR. R. FULTON CUTTING.**

Chairman WALSH. What is your name, please?

Mr. CUTTING. Robert Fulton Cutting.

Chairman WALSH. Where do you live, Mr. Cutting?

Mr. CUTTING. New York, sir.

Chairman WALSH. What is your business or profession?

Mr. CUTTING. I am altogether out of active business. I am trustee in some of the corporations.

Chairman WALSH. What was your business when you were active?

Mr. CUTTING. Well, I was really—I only have been a trustee in a variety of corporations.

Chairman WALSH. Were you an attorney at law to begin with?

Mr. CUTTING. No.

Mr. WALSH. Just name the corporations, please, in which you were an active trustee; or were you an active trustee when you were in business?

Mr. CUTTING. Well, I was in the St. Louis & Terre Haute Railroad Co., as a member of the executive committee; the Florida Central, as a member of the executive committee; the American Beet Sugar Co.—those were the main concerns; the Paterson Ranch Co., of California; and the Florida Land Co.

Chairman WALSH. You have been for many years associated with charitable and civic enterprises in New York City and elsewhere?

Mr. CUTTING. Yes, sir.

Chairman WALSH. Please name the principal organizations with which you are at present a trustee, and state your position in each organization.

Mr. CUTTING. I am president of the New York Trades School; I am trustee in the Cooper Institute; trustee of the Association for Improving the Condition of the Poor—chairman of the finance committee; president of the Bureau of Municipal Research. Those are the principal ones. I think there are, perhaps, half a dozen others that I do not now recall.

Chairman WALSH. Will you as briefly as possible, consistent with giving a fair—

Mr. CUTTING (interrupting). I am chairman, I might say, of the City & Suburban Homes Co., model tenement houses.

Chairman WALSH. I wish you would go back, if you please, and state the particular activities of each one of those in order.

Mr. CUTTING. The Cooper Institute, which you all know about—

Chairman WALSH. We will assume none of us know about that, for the record here at least. I guess some of us do know about some of them.

Mr. CUTTING. It is technical and artistic—

Chairman WALSH. You mentioned one before the Cooper Institute, as I carried it in my mind. What was the first one; the New York Trade School? Please put them in order, if you can.

Mr. CUTTING. That is for the instruction of—the elementary instruction in the trades—in all of the trades.

Chairman WALSH. Just describe how the funds are secured for the operation of that school, and its general plan?

Mr. CUTTING. It is endowed to the extent of about \$550,000. And then it charges a small sum for instruction, and that, with the aid of the endowment, covers the whole expense. It is simply for the instruction in trades, at the bench as well as with the books; mostly at the bench.

Chairman WALSH. What is the source of the endowment?

Mr. CUTTING. The source of the endowment is income derived from a gift of \$100,000 from the founder of the school, Col. Axmuty, a gift of \$500,000 from J. P. Morgan.

Chairman WALSH. Where is that school located?

Mr. CUTTING. At the corner of First Avenue and Sixty-seventh Street.

Chairman WALSH. What trades are taught?

Mr. CUTTING. Bricklaying, plumbing, carpentering, metal cornice work, electrical journeymen, painting (house and sign), typesetting, steam fitting; I guess that is all.

Chairman WALSH. The school has accommodations for how many pupils?

Mr. CUTTING. The school has accommodations for about 900. We have had as many as 900 there.

Chairman WALSH. How many have you there now?

Mr. CUTTING. Our enrollment this year, I think, is about 450.

Chairman WALSH. Have you literature which covers the entire subject of the activities of the school?

Mr. CUTTING. We have reports every year and programs as to what the nature of the work is.

Chairman WALSH. What are the requirements leading up to attendance on this school?

Mr. CUTTING. The only one is that the young man shall be of good health and 18 years of age. We have taken them 17 years of age, if the young men happened to be able-bodied and healthy.

Chairman WALSH. How many trustees are there?

Mr. CUTTING. Five.

Chairman WALSH. How are they selected?

Mr. CUTTING. They are selected by themselves; that is, they are practically for life.

Chairman WALSH. In case of a vacancy, how are they filled?

Mr. CUTTING. The other trustees select them.

Chairman WALSH. Was that provided for in any gift to the institution, or how?

Mr. CUTTING. Yes; by the trustees that turned over the institution originally. When a vacancy occurs it is filled by a meeting of the other members of the board.

Chairman WALSH. How long has the school been in operation?

Mr. CUTTING. I think for 27 years—either 26 or 27 years.

Chairman WALSH. What has been the attitude of labor organizations toward the school?

Mr. CUTTING. It has been always antagonistic; that is to say, the young men who graduate from the training school are never given labor cards, although competent.

Chairman WALSH. Do you know the reason for that, Mr. Cutting?

Mr. CUTTING. The reason for that, more than anything else, is ignorance, because I have sat down several times with committees from the unions, and around the table we have on every occasion arrived at a consensus of opinion as to the fact that it was a good thing for us to cooperate.

Chairman WALSH. So I take it the feeling is more or less widespread among labor organizations—that is, they feel hostile to the school?

Mr. CUTTING. Yes.

Chairman WALSH. Have you any way to gauge the attitude of workers who are not connected with organizations, as to their feeling toward the activities of the school?

Mr. CUTTING. I know of no way to gauge that except by the experience of the young men who come—the numbers that come to the trade school.

Chairman WALSH. The school is liberally patronized? The parents of the young men seem to be anxious to get them in?

Mr. CUTTING. We have now 450 there.

Chairman WALSH. Why is it lower now than it has been, if there is any particular reason which you have observed?

Mr. CUTTING. It is always lower when industry is dull. That has been noticed in years gone by, but there is much more competition now, because the city of New York has opened vocational schools. There is a new trade school at Yonkers, and in the last few years Mr. Carnegie's great schools at Pittsburgh have been opened.

Chairman WALSH. Is the Yonkers school a private school?

Mr. CUTTING. No.

Chairman WALSH. What is the attitude of labor organizations toward the public trade school?

Mr. CUTTING. It is, I understand, favorable.

Chairman WALSH. What is the attitude of the public generally toward the trade school of which you are a trustee?

Mr. CUTTING. Well, so far as I am able to understand, it is altogether favorable.

Chairman WALSH. What means have you, if any, for securing positions for the young men that come out of those schools, or is there any effort made along that line?

Mr. CUTTING. No effort is made along that line at all. The unions have always thought that we supplied strike breakers, but we never have done that in any instance.

Chairman WALSH. Is there anything taught in the school except the trades themselves?

Mr. CUTTING. Nothing.

Chairman WALSH. Is there any sort of instruction?

Mr. CUTTING. Nothing.

Chairman WALSH. And so far as you have observed, has there ever been any attempt on the part of the employees of the school to direct the thought of the young men naturally along the lines of organization or against it?

Mr. CUTTING. I think nearly all of our instructors in the trade school are union men.

Chairman WALSH. You have never observed any disposition to take either side of this question?

Mr. CUTTING. No. There is no opposition; in fact, the young men are encouraged to join the unions as soon as they can; it is the only way for them to get employment.

Chairman WALSH. What is the attitude of the employers of the community toward the school?

Mr. CUTTING. It is favorable. We have trade committees from the master workmen of a number of trades that come regularly there to inspect and give their advice from time to time upon the methods of instruction.

Chairman WALSH. Are the employers likewise friendly toward the public trade schools?

Mr. CUTTING. Really, I do not know; but I fancy so. It is for their interest to have a larger supply of trained labor.

Chairman WALSH. In your meetings with the leaders of labor organizations, which you say you have had from time to time, or from any other source that you may be able to draw upon, could you give the commission the claims made by workers, if any, as to why they opposed this school?

Mr. CUTTING. Well, the claims made by the workers is the rather natural one that they do not want to increase the number of those who are engaged in the trade. You know, perhaps, that the unions do quite a number of things to-day to restrict the number of those engaged in the trades. It is not an unnatural standpoint.

Chairman WALSH. Do they give that reason? Have they given that reason to you?

Mr. CUTTING. Well, as I say, when you sit about the table and take the matter up and talk it over seriously that rapidly disappears.

Chairman WALSH. Is there or is there not any objection voiced by the workers as to the fact that it is not a democratic proposition, but rather a matter of benefaction?

Mr. CUTTING. I never have heard that from any individual at all.

Chairman WALSH. Now, the Cooper Institute—just briefly, Mr. Cutting, describe its activities.

Mr. CUTTING. It is a great school in technical science, in artistic work—where all sorts of technical scientific work and chemistry and the physics are taught, and in the arts, art drawing, modeling, and covering the whole ground of artistic development of men and women. It is entirely free and no charge made.

Chairman WALSH. Describe it, please, as to management, the number of scholars, and the whole matter of it, historically and practically, for the record, in your own way.

Mr. CUTTING. It was originally founded by Mr. Peter Cooper, who himself was originally a tradesman, and was in deep sympathy with those who were trying to get the sort of instruction he obtained only by very diligent and hard labor; and he founded this institute. Its corporate body is five members, who are elected for life. He was the original, the first one, and was succeeded by his son, Edward Cooper, and then by his son-in-law, Abram S. Hewitt. It conducts these various classes. I would say that within the last three years the city of New York has turned over to it the site of the old arsenal on Third Avenue, almost directly opposite the Cooper Union, where they have erected a two-story building which they hope to make six, and we have increased the

number of those we are able to accommodate. I think the attendance now is 3,700 individuals, and the applications run up to about 8,000.

Chairman WALSH. About how many persons have taken advantage of its work, if you can approximate it?

Mr. CUTTING. Oh, I could not approximate that; I can, of course, find that all out for you, but I can not tell from memory.

Chairman WALSH. You have publications, have you, that give all those details?

Mr. CUTTING. Well, I am not sure whether the reports contain that particular detail or not, but we can easily obtain it for you. We can take the graduating classes. It would be difficult, however, to give the full number, because we have a large number that come in and stay but a year. The whole course is five years, and it is evening tuition. Some come and stay but a year or two and then get positions, so that by taking the graduating classes it would be rather difficult, and then some drop out very rapidly.

Chairman WALSH. We would like to get the approximate number that have taken advantage of it. I can get the approximate figures, I should think, from figures that could be obtained.

Mr. CUTTING. It can.

Chairman WALSH. For the moment I am going to take up the trade school and ask you to state a little more in detail as to the finances—the first one you mentioned. Please state the amount of the original endowment, what the income is, and how it is expended, and if it is not fully expended what becomes of it, and such details as that, briefly.

Mr. CUTTING. The income derived from it—I say it was originally \$100,000, and then \$500,000 added by Mr. Morgan's gift. The income on that has been—I think has been about twenty-five or twenty-six thousand dollars a year, until the last year, when it suffered a rather serious curtailment for the reason that in the gift there was a considerable amount of New Haven stock that is not paying a dividend. As it is running to-day it is not paying the whole expenses of its operation, but the deficit has been made up by the trustees.

Chairman WALSH. By the trustees individually?

Mr. CUTTING. Yes, sir.

Chairman WALSH. By their own contributions?

Mr. CUTTING. Yes, sir; and I should say also by the widow of Mr. Axmuty, the founder of the school.

Chairman WALSH. Of what does the property of the school consist?

Mr. CUTTING. It consists of the buildings that cover the whole front between Sixty-seventh and Sixty-eighth Streets on First Avenue, and which run back, I think, about 175 feet; they cover the whole space. They are mostly one-story buildings in order to give light from the roof, but the rear building, which is 75 by 200 feet, is two stories high.

Chairman WALSH. What sort of securities is the principal of the fund invested in?

Mr. CUTTING. They are mostly in funds and some mortgages.

Chairman WALSH. In what sort of industries, or are they in industrial bonds or stock?

Mr. CUTTING. I think not; I think they are mostly all railroad bonds.

Chairman WALSH. Some municipal bonds?

Mr. CUTTING. I do not think we have any municipal bonds now. They are mostly railroad bonds and mortgages on real estate.

Chairman WALSH. Mortgages on real estate in New York City?

Mr. CUTTING. Yes; mortgages on real estate in New York City.

Chairman WALSH. I wish now you would please describe in the same way the funds of the Cooper Institute.

Mr. CUTTING. The Cooper Institute has an endowment fund to-day of about \$3,000,000.

Chairman WALSH. What was it at its inception? Describe what the first figure was and if there was more than one; please state that and whether or not it has been added to or the capital diminished in any way.

Mr. CUTTING. I am afraid I could not give that with any degree of accuracy. I do not know how much Mr. Cooper originally endowed the institution with. He gave a large gift at the time he erected the buildings, but at that time the interest on the gift was not sufficient to carry on the operations of the school. However, since that time a great deal of money has been given—first by his son, Edward Cooper, and by his son-in-law, Abram S. Hewitt, and the Cooper Hewitt family and Mr. Carnegie.

Chairman WALSH. What are the total expenses of the school per annum?

Mr. CUTTING. I would rather give you that from the report, because I do not have it in mind now. It is all expended.

Chairman WALSH. How large a staff has it?

Mr. CUTTING. We have a pretty large staff, but I could not give you the numbers.

Chairman WALSH. Could you approximate it so we could get into the record an idea of the size of the school?

Mr. CUTTING. We have a staff of about 30 professors, I should think, but I would rather not have that put on the record, because I can give you all these facts with absolute accuracy.

Chairman WALSH. Very well, you will be called upon by a representative of the commission for that.

Mr. CUTTING. I will give you all of that.

Chairman WALSH. Mr. Commons sends me a request from the back part of the room to the effect that you speak a little louder. We are all very anxious to hear what you have to say. What was the next one you mentioned?

Mr. CUTTING. I shall have to refer to the record.

Chairman WALSH. The reporter who took that part of your testimony is now absent from the room.

Mr. CUTTING. Very likely it is the Association for Improving the Condition of the Poor.

Chairman WALSH. Just describe that, please.

Mr. CUTTING. That is a large agency for improving the condition of the poor, as described—as its name indicates—and it acts in a variety of ways. Of course, it has a large relief body, which works in visiting the homes of the poor and the nursing in the homes of the poor and provides for their needs. It also has a very large department known as the "social-welfare bureau," which conducts a great variety of enterprises, such as a school-lunch committee engaged in furnishing lunches to children in the public schools, and the public bath and laundry. It has a cooperative health department in a number of ways.

Chairman WALSH. What other governmental agencies does it cooperate with?

Mr. CUTTING. It cooperates with the health department and it has cooperated with other departments of the city, but I do not recall now which ones.

Chairman WALSH. What form does its cooperation take with the municipal body?

Mr. CUTTING. For instance, in the providing of lunches in the public schools there was originally a small committee known as the "school-lunch committee," an independent committee which secured the providing from the department of education of cheap food for the children of the schools. That was taken over by the Association for Improving the Condition of the Poor, and it is now operating in 18 schools in New York City, and will operate in a short time in 36.

Chairman WALSH. What sort of a staff has the association in that work; that is, the number and by whom they are paid? If a portion is paid by the association and a portion from the school fund, please state just how it is.

Mr. CUTTING. All the salaries are paid by the association. The school fund has not provided anything at all. It has provided a small sum, in some instances, in the way of furnishing equipment. The salaries are all paid by the association.

Chairman WALSH. Are the employees all appointed by the association?

Mr. CUTTING. Yes; the employees are all appointed by the association.

Chairman WALSH. What sort of cooperation is there with the health department?

Mr. CUTTING. Well, there has been quite a variety of methods of cooperation. At one time the association organized a milk committee, which cooperated with the milk department in an effort to provide a proper kind of milk for New York, and that milk committee is operating now. It also cooperated with the health department last summer in an experiment made to test the carrying of disease by flies in tenement houses.

Chairman WALSH. What other activities has the Association for the Improvement of the Condition of the Poor, Mr. Cutting?

Mr. CUTTING. It carries on, for instance, what is called the home hospital, which is an enterprise to show that those who are suffering from tuberculosis can be treated more successfully and cheaply in their own homes than they can in sanitariums. In doing that, it conducts a large work in what are known

as the Vanderbilt Tenements, at the foot of Seventy-eighth Street and the East River. Those tenements are so constructed that the occupants can get a great deal of air. The association has altogether about 100 families in those buildings to-day. It has done a very important thing in demonstrating that families could be kept together and that the wage earners could go on with their work while at the same time they were living under conditions of health which enabled them to be absolutely cured of tuberculosis.

Chairman WALSH. Are there any employees of the Association for Improving the Condition of the Poor that receive a part of their salaries from the association and a part from any unit of the government—municipal, county, or State?

Mr. CUTTING. None that I know.

Chairman WALSH. Are there any employees of the association whose whole duty is with the municipality or with any other department of the government?

Mr. CUTTING. None at all.

Chairman WALSH. Now, what are the social activities of the association? I do not recall your expression exactly. Did you say it had a department of social survey?

Mr. CUTTING. Social welfare.

Chairman WALSH. I wish you would describe that.

Mr. CUTTING. For instance, as an institution, it conducted a public bath and laundry; it conducted this experiment that went on with the board of health about the carrying of disease by flies. It conducts this public school—this lunch committee. It also conducts a large food-supply store from which it supplies relief and food to those who come to the association for relief.

Chairman WALSH. How many employees has the association?

Mr. CUTTING. It has over a hundred, but the exact number I do not remember now.

Chairman WALSH. From whence comes the fund?

Mr. CUTTING. The fund comes almost entirely from the public in contributions.

Chairman WALSH. I wish you would name—first, state whether or not there are any permanent endowments.

Mr. CUTTING. If I remember rightly the permanent endowment—oh, yes, we have a considerable amount of permanent endowment that is specified not to be used that amounts to something more than \$500,000. That is to carry on such enterprises as the one that I have not mentioned, the Caroline Rest, which is a home to which we send convalescent women with small children.

Chairman WALSH. I wish you would describe the source of their income, of the association.

Mr. CUTTING. The source of the income outside of these specific funds here is entirely from contributions and legacies.

Chairman WALSH. What is the total cost of operation?

Mr. CUTTING. I should say it had in what we call a reserve fund, which was an accumulation that had not been touched up to that time of about \$75,000 at the commencement of October; the commencement of the fiscal year, rather at the end of this fiscal year, it had about \$70,000 reserve for emergencies, what it calls its reserve fund, which happened to be the surplus from certain legacies which had not been used.

Chairman WALSH. Has the association studied the unemployment question?

Mr. CUTTING. It has, of course, given a great deal of attention to that; yes.

Chairman WALSH. And does that come under the social welfare department?

Mr. CUTTING. No; that comes under the general relief department. We have an employment bureau connected with the department which endeavors to get situations wherever it can.

Chairman WALSH. Do you have any employment offices?

Mr. CUTTING. We have one who is in charge of this employment bureau, and then, of course, the visitors of the association go about from home to home and make calls and sometimes those whom the applications are referred to also endeavor to find situations.

Chairman WALSH. You maintain places where work may be obtained temporarily by those out of work?

Mr. CUTTING. Yes.

Chairman WALSH. What are they?

Mr. CUTTING. We have a large department that gives sewing to women, but nothing else; nothing for men. It gives out a large amount of sewing, a large

amount of material which is sewed into garments which are finally afterwards disposed of by us to other applicants that are needy, or sold.

Chairman WALSH. You may pass to the next organization, if you will. I may come back for some questions from time to time later on.

Mr. CUTTING. I can not recall particularly what the next one was you referred to. Will you give it to me?

Chairman WALSH. The bureau of municipal research. Please describe its activities.

Mr. CUTTING. It is an organization founded on a principle to supply expert service to municipal officials, cooperation with the officials of cities; to improve the forms and the operations of government.

Chairman WALSH. From whence does it obtain its funds?

Mr. CUTTING. From the public.

Chairman WALSH. And is there any endowment?

Mr. CUTTING. None at all.

Chairman WALSH. Would you please state the names of the largest contributors?

Mr. CUTTING. Yes.

Chairman WALSH. To both of these. Please go back to the Association for the Improvement of the Condition of the Poor. First, name the largest contributors and the amount contributed.

Mr. CUTTING. That is rather difficult. Take the association for the poor first.

Chairman WALSH. Yes.

Mr. CUTTING. I do not know that I can say in past years who the largest contributor is. But in this present year that they are operating upon now, since the 1st of October, the largest contributor is Mr. Rockefeller.

Chairman WALSH. And does the money which comes from Mr. Rockefeller come from him or does it come through any of the philanthropic corporations that they have instituted, the foundations?

Mr. CUTTING. Well, I am not quite sure whether it comes from Mr. Rockefeller direct or the foundations—the foundation I think; perhaps the foundation. I am not the treasurer and I am not now president, so that I only heard that that amount of money came from that source; but I am not quite sure. My impression is that it comes from the foundation.

Chairman WALSH. Approximately, what was Mr. Rockefeller's contribution to that activity?

Mr. CUTTING. He gave us this autumn, when the pressure for relief was so great indeed, \$25,000. He also has contributed to what is called our widows' pension fund the sum of \$20,000 for this year to enable us to enlarge the work of pensioning widows, which we have been carrying on successfully for several years. But we had a large number of widows and we did not have enough money to pension them, as we called it, and in order to carry out that policy further he promised \$20,000 for this year.

Chairman WALSH. Now please name any other contributors of large amounts.

Mr. CUTTING. I think Mr. Cleveland Dodge gave us \$10,000.

Chairman WALSH. Any others?

Mr. CUTTING. A number of others; yes.

Chairman WALSH. I mean any that you have in mind; large contributors of large amounts?

Mr. CUTTING. I am rather a large contributor myself.

Chairman WALSH. Please set aside your modesty for the time being and state yourself, Mr. Cutting, with the others?

Mr. CUTTING. Well, I think for this year under the peculiar demands of the association that we figured up, I have given \$15,000.

Chairman WALSH. What did you say the total was, the total expenditure?

Mr. CUTTING. I did not mention the total expenditure budget.

Chairman WALSH. I had intended to ask that. What is the total budget of the association?

Mr. CUTTING. I think it is \$250,000—over that.

Chairman WALSH. Well, kindly state.

Mr. CUTTING. I am not very confident of the exact figures now, because they have changed so of late years. We have been increasing so rapidly as the work developed that I have not kept it very clearly in my mind. We always operate upon a budget.

Chairman WALSH. I wish you would go ahead and state the number of other large contributors.

Mr. CUTTING. Well, I do not want to leave out any. I do not recall any more that I think of. We have received a number of contributions of a thousand dollars.

Chairman WALSH. Do you recall any other contributions greater than, say, \$10,000?

Mr. CUTTING. No.

Chairman WALSH. Any of \$5,000 or greater?

Mr. CUTTING. Well, I think there was one of five, but I am not sure enough to answer.

Chairman WALSH. Will you please furnish us with that?

Mr. CUTTING. I will furnish you with a list—full information.

Chairman WALSH. I wish you would describe the widows' pension fund.

Mr. CUTTING. The widows' pension fund is simply the adequate care, as we take it, of widows with small children. The reason why it is called the pension fund is to differentiate it to some degree from the treatment of all the widows in charge of the association. We have between four and five hundred widows with small children; but as many of those as we have been able to take care of we simply inform them that they are to receive a regular pension of so much a week, so that we will relieve them of the anxiety of knowing what is to become of them if we stop the supply to them of food and clothing at any time. And we have about 100 widows now upon the list who are supplied in that way, which we call the widows' pension.

Chairman WALSH. About how many such widows have you now?

Mr. CUTTING. We have between four and five hundred; we take care of them all.

Chairman WALSH. And how is the amount determined? Is there a definite amount set apart for each widow, based upon the number of children that she has?

Mr. CUTTING. Oh, yes; a very careful study is made, not only upon the widow and her condition, her ability to work, because some of them are able to work and earn something, and the number of children and upon the condition of their health, also—a very careful study is made of their food supply, so that they are instructed how the money shall be spent, in such and such kind of food; and they are required to keep a regular budget of their own and as to how they expend the money.

Chairman WALSH. Who passes upon the individuals that receive the benefits?

Mr. CUTTING. That is done by the officers of the association, the paid executives.

Chairman WALSH. Who are they?

Mr. CUTTING. They are Mr. B. D. Bullet, the general director; Mr. Matthews has the charge of what is called the family department. Those two are the ones who really study the pension question; Mr. Matthews more than anybody else.

Chairman WALSH. And does that gentleman pass on the amount that should be paid to the widows?

Mr. CUTTING. They report—

Chairman WALSH. The widows report?

Mr. CUTTING. They report always to the executive committee, at least they take an individual case which they study with great care, and after they have obtained all the information that is to be obtained they report that case, with their information, to the executive committee, which then decides whether or not this widow shall go upon the pension list.

Chairman WALSH. Do you have a great number of applications for such pensions, Mr. Cutting?

Mr. CUTTING. Well, we have, as I say, four to five hundred widows, all of whom are receiving the pension.

Chairman WALSH. I wish you would try and inform the commission if—first, as to the percentage of those who apply to receive the pension.

Mr. CUTTING. Well, I do not know that any really apply to be put upon the pension list. I have not heard any ask to be put upon the pension list. That is a matter for our decision entirely. We study a case carefully and finally report to the executive committee and they then determine what should be done in the case.

Chairman WALSH. I wish you would proceed now to the bureau of municipal research and give the contributors to that, and in detail the activities of the bureau of municipal research, together with its staff and equipment.

Mr. CUTTING. Yes. Well, now, the activities are those of cooperating with nearly all the departments of the city government, the finance department, the



health department, the lease department, civil service commission, and I dare say there are several others.

Chairman WALSH. Does it operate outside of the city of New York?

Mr. CUTTING. Yes; to some degree.

Chairman WALSH. Would you kindly state the cities in the Union, or the departments of any cities in the Nation, in which work is being done by the bureau of municipal research?

Mr. CUTTING. In which work has been done?

Chairman WALSH. Yes.

Mr. CUTTING. Oh, I could not undertake to do that without going to the records, because there are a large number of cities.

Chairman WALSH. You can furnish us that?

Mr. CUTTING. Yes; I can furnish everything like that.

Chairman WALSH. Has its work extended to all the parts of the United States?

Mr. CUTTING. To all parts of the United States; yes.

Chairman WALSH. How large a staff have you?

Mr. CUTTING. The staff now, I think, is between 30 and 40.

Chairman WALSH. How is the staff organized? Who is director?

Mr. CUTTING. Yes; there is a director, and then the others are all of his subordinates.

Chairman WALSH. How many trustees?

Mr. CUTTING. Well, I might add also it conducts a training school at the head of which there is a separate director, the head of the training school.

Chairman WALSH. How many directors are there?

Mr. CUTTING. One.

Chairman WALSH. How many trustees are there of the bureau of municipal research?

Mr. CUTTING. I think there are 11.

Chairman WALSH. And how are they selected?

Mr. CUTTING. They are selected by ballot.

Chairman WALSH. How are the first ones selected?

Mr. CUTTING. Under the act of incorporation.

Chairman WALSH. And it had 11?

Mr. CUTTING. At that time I think not; no, I do not think it had 11. I think we had about that number.

Chairman WALSH. Is it a fact that under the incorporation laws of the State of New York, relating to philanthropic and educational corporations, that the number of the incorporators can be increased—

Mr. CUTTING. One minute—I am not a lawyer.

Chairman WALSH. Just a minute until we straighten this out. May a corporation created by general or special law of this State by vote of the majority of its members present at an annual meeting, or any special meeting called for that purpose, for that specific purpose and so specified in the notice of the said meeting, change the number of directors of the corporation?

Mr. CUTTING. I do not know, sir.

Chairman WALSH. Have, in the practical operations of any organizations with which you have been connected, there been changes made in the number of directors and trustees?

Mr. CUTTING. Not that I remember.

Chairman WALSH. Will you please give first the amount of income of the bureau of municipal research?

Mr. CUTTING. You mean for the past year, or when?

Chairman WALSH. We will say for the past two or three years, enough to give us a general idea of its extent.

Mr. CUTTING. I can only give you a general idea. I am not accurately informed on the subject, but its income would average, I should say, for the past two or three years, about \$70,000 a year; that is to say, for its local work.

Chairman WALSH. Please give the names of the contributors.

Mr. CUTTING. There are a large number of them.

Chairman WALSH. Well, the largest ones?

Mr. CUTTING. The largest ones for what particular year, because, of course, they change very much in the course of time.

Chairman WALSH. Say the last fiscal year?

Mr. CUTTING. The fiscal year ended on the 1st of October I take it?

Chairman WALSH. Yes.

Mr. CUTTING. Well, the largest contributor for that year—well, I am not sure whether I can say with absolute accuracy whether I can give it or not. I should have to look at the books to say.

Chairman WALSH. The names of the large contributors, then, without the amounts. That will be a little too much of a tax upon your memory I should say.

Mr. CUTTING. Oh, no; I think that the Rockefeller Foundation contributed more last year than I did. Mrs. Harriman is a large contributor—Mrs. E. H. Harriman.

Chairman WALSH. And any others that you can recall, large contributors, without undertaking to specify the amounts?

Mr. CUTTING. Well, there are a large number of contributors—up to last year the bureau was operated upon a subscription founded upon a five-year basis, which was reduced by 20 per cent a year, and among those who subscribed were J. P. Morgan & Co., Kuhn Loeb & Co., Thomas Speyer, Vanderbilt, Perkins, Guggenheim, and quite a number of others, Mr. Hopkins and Mr. Morawetz.

Chairman WALSH. Do any of its employees work part of the time with the municipality or with any municipality?

Mr. CUTTING. To some slight degree, yes; as for instance, they are now and have been—Philadelphia makes calls on us and the director goes over to Philadelphia and they pay him for the time occupied.

Chairman WALSH. How about the city of New York?

Mr. CUTTING. We receive nothing from the city of New York itself.

Chairman WALSH. When you do work in any other city?

Mr. CUTTING. The citizens of that city pay for it.

Chairman WALSH. You send the experts out, those that you have in your department, and the city pays for the work, or private individuals in the city?

Mr. CUTTING. It is not paid for by the city. It is paid for by private individuals living in that city.

Chairman WALSH. In any instances has the municipality called upon your people for work?

Mr. CUTTING. I think that is probably so. But I do not recall any such, if they have.

Chairman WALSH. Do they make reports from time to time?

Mr. CUTTING. You mean the cities?

Chairman WALSH. Does the organization itself, the bureau of municipal research, make public reports from time to time, as to the conduct of the business of the municipalities which they have investigated?

Mr. CUTTING. Those reports are always published.

Chairman WALSH. And they do make reports from time to time?

Mr. CUTTING. Yes.

Chairman WALSH. And these reports are critical, are they?

Mr. CUTTING. Always constructive.

Chairman WALSH. Critical and constructive?

Mr. CUTTING. Yes.

Chairman WALSH. Do the reports deal with the subject of taxation by municipalities?

Mr. CUTTING. I do not believe we have touched that in any instance yet.

Chairman WALSH. Is it within the scope of the activities of the organization to do that?

Mr. CUTTING. Yes; I think probably it is within the scope, but the real object of the association, of the bureau, is to correct faults in administration, and it applies to that and administration and not to the resources from which the funds are drawn, but to the expenditure of funds.

Chairman WALSH. Has it in any case undertaken to indicate methods of taxation?

Mr. CUTTING. I do not think the bureau has ever yet; not at all.

Chairman WALSH. Where can its objects be found?

Mr. CUTTING. What did you say?

Chairman WALSH. Where can its general objects be found?

Mr. CUTTING. In its publications.

Chairman WALSH. For instance, what publications?

Mr. CUTTING. I will send you a number of them, a whole lot of them, which will state the purposes.

Chairman WALSH. I want to get the name of one in which could be found its scope in the briefest presentation. What would that be? Would it be the annual report, or what?

Mr. CUTTING. I do not think it was in any annual report. It was in the early publications, I think, which would show that. There were two publications, one of which was called "Six Years of Municipal Administration," or something of that kind.

Chairman WALSH. Is it an incorporated institution?

Mr. CUTTING. Yes.

Chairman WALSH. Under the general laws of New York?

Mr. CUTTING. Yes.

Chairman WALSH. In what way have there been through these organizations studies of labor problems, labor legislation, and questions such as workmen's compensation act and widows' pension, that is, from the Government, and the like?

Mr. CUTTING. We have not studied them at all.

Chairman WALSH. What position have you taken, have these organizations taken, at any time? Now, I am referring to all of them, because I am grouping them.

Mr. CUTTING. What did you say?

Chairman WALSH. What positions have these organizations taken with respect to compensation acts, workmen's insurance, widows' pensions, and the like?

Mr. CUTTING. They have not taken any attitude.

Chairman WALSH. What have the officers of the organization done?

Mr. CUTTING. The Association for Improving the Condition of the Poor, which, as I say, as far as pension fund, has made a statement that it would not oppose legislation which is now proposed in our State legislature. It has not gone far enough to indicate what it will do until it knows what form legislation itself is going to take. But it will not oppose the State itself taking the initiative in widows' pensions.

Chairman WALSH. Has it at any time opposed the State taking the initiative in widows' pensions?

Mr. CUTTING. My impression is that it did last year.

Chairman WALSH. Please state the ground of it.

Mr. CUTTING. The ground of it was that we at that time were only just commencing the widows' pension ourselves. It was a new thing with us, and we were engaged in testing it out. It was our hope that we should be able in time perhaps to secure a large enough fund from the public ourselves to be able to undertake the widows' pensions alone, without recourse to the State. We thought that we could do it better than the State could, which I still think we can do more satisfactorily than it could be done by the State. But we have arrived at the conclusion that the problem is too large for us entirely, and that we shall be unable to do it.

Chairman WALSH. When did you arrive at that conclusion, Mr. Cutting?

Mr. CUTTING. Well, I should say a few months ago.

Chairman WALSH. Did your opposition to the institution of a widows' pension system by the State manifest itself while the legislature was in session?

Mr. CUTTING. My impression is that we sent a representative to Albany last winter.

Chairman WALSH. Did you issue any publicity on the matter?

Mr. CUTTING. No, I do not think we did.

Chairman WALSH. Was there a widows' pension bill introduced in the New York Legislature last winter?

Mr. CUTTING. Well, I am not very clear about that matter. There was a commission at that time operating, as you remember, that was collecting information upon that particular subject but I am not clear whether there was a bill introduced or whether we did oppose it or not. But that commission finished its labors and now has introduced a bill. I may be entirely wrong in stating that we ever opposed it at all. I was thinking that it had been—that there had been a bill introduced and there may have been.

Chairman WALSH. What did you say about your present attitude in regard to the matter, Mr. Cutting, with regard to the proposed legislation?

Mr. CUTTING. We are inclined to favor it if we can get a satisfactory bill, but I can not, of course, speak for the association. I am not its president now; but we have passed a resolution that we would not oppose it.

Chairman WALSH. What was the occasion of passing a resolution upon that particular bill?

Mr. CUTTING. We did not pass it upon any particular bill at all, but upon principle only.

Chairman WALSH. I mean upon a bill covering the particular subject matter of widows' pensions?

Mr. CUTTING. We did not act upon any particular bill at all. There are two bills up there. Only on the principle involved; only on the principle involved, that is all.

Chairman WALSH. That is what I was trying to get at.

Mr. CUTTING. Yes; only the principle.

Chairman WALSH. How did it happen that you passed a resolution on that subject?

Mr. CUTTING. For the reason there was considerable pressure upon us to take an attitude, by those who were promoting the measure, and we felt that they were entitled to have our opinion.

Chairman WALSH. Did I understand you to say that you personally still believed that the work could be better and more scientifically done by the association than by the State?

Mr. CUTTING. Well, suppose you say more sympathetically done.

Chairman WALSH. More sympathetically done?

Mr. CUTTING. Yes; I do think so.

Chairman WALSH. You do not think the State could do it as well, and that the officials charged with the administration of the law would not have the sympathy that those persons connected with your organization might have?

Mr. CUTTING. We have been at it for over 70 years—since 1843.

Chairman WALSH. Was there any other ground than the fear of lack of sympathetic consideration in administration by the State?

Mr. CUTTING. Any other ground?

Chairman WALSH. Yes; any other ground for your belief?

Mr. CUTTING. No; only that we had a great deal of anxiety as to what would happen if the State took over the widows, all the widows in the State, as to whether or not there would not be a good deal of favoritism and if we were confident that we could secure the funds to carry on the widows ourselves, in New York City, we would fight the widows pension bill to the end, by the State.

Chairman WALSH. I did not get that.

Mr. CUTTING. We felt ourselves competent financially to take care of all the widows and small children who—that if we were competent financially to take care of all of them, we would fight an enactment by the State of a widows' pension bill. That is my personal opinion. I do not speak for the board, of course.

Chairman WALSH. Now, have you taken any position on workmen's compensation acts?

Mr. CUTTING. None at all.

Chairman WALSH. Do you find an appreciable amount of the dissatisfaction that you are called upon to deal with coming from industrial accidents and occupational diseases?

Mr. CUTTING. A good deal; not so much from occupational diseases as from accidents.

Chairman WALSH. Have you made a study of the conditions that might have a tendency to produce such a result?

Mr. CUTTING. You mean in factories?

Chairman WALSH. Yes.

Mr. CUTTING. No.

Chairman WALSH. Generally, have you made any study of that condition?

Mr. CUTTING. No; we have not made a study of the condition; that is, of course, one of the functions of the State.

Chairman WALSH. Have you inquired into the method with which the State deals with such questions?

Mr. CUTTING. No; I do not think that we have given much attention to that.

Chairman WALSH. If the widows' pension act passes, do you think the private agencies should be asked to make investigations?

Mr. CUTTING. Asked to make investigations?

Chairman WALSH. Yes; into the needs of the widows, or into the advisability of granting the pension?

Mr. CUTTING. You mean to have the State pay for the service, you mean as a voluntary act?

Chairman WALSH. Well, either way you may state it.

Mr. CUTTING. Well, I do not think I believe very much in subsidies to private charities. It would have to be done as a voluntary act, and if the Association for Improving the Condition of the Poor undertook at the request of the State to visit all the widows who applied, it would swamp us, of course.

Chairman WALSH. The suggestion has been made by one of our staff that perhaps it is proposed by the charities societies that if such a bill should pass, a widows' pension bill should pass, that the private agencies should make the investigation. Is there such a position?

Mr. CUTTING. We have taken no position of that kind. The Association for the Improvement of the Poor—

Chairman WALSH. Have you in your capacity as trustee for these organizations made any study of the underlying grounds or of the underlying reasons for the condition of the persons whom you deal with?

Mr. CUTTING. Oh, yes.

Chairman WALSH. To what extent has that been made?

Mr. CUTTING. It is made, of course, with every individual case, and then tabulated under various headings.

Chairman WALSH. Does it cover the question of compensation for labor as to the wages that are paid to them and the conditions under which they work?

Mr. CUTTING. No; it has not touched the question of wages.

Chairman WALSH. Has it touched the question of conditions of employment, say sanitary conditions and conditions of hygiene?

Mr. CUTTING. No; it has not touched either, because that was the function of the State. We do not interfere unless we have to. But we have tabulated under the various heads all the various causes, unemployment, and illness, accident, intemperance, everything that comes in except the fact of insufficient wages. I do not think we have a heading of insufficient wages. I am not quite sure whether we have that or not.

Chairman WALSH. Might that be a proper or time basis from which to approach both the questions of necessity and the cause for it?

Mr. CUTTING. Yes; I think it might.

Chairman WALSH. Has it ever been suggested to you as a trustee that that be done?

Mr. CUTTING. No.

Chairman WALSH. Has any suggestion ever been made upon any board of trustees of which you are a member that that should not be done?

Mr. CUTTING. That that should not be done?

Chairman WALSH. Yes.

Mr. CUTTING. In connection with the question of insufficiency of wages?

Chairman WALSH. Yes.

Mr. CUTTING. Never that I can remember.

Chairman WALSH. Do you think it would be feasible for directors to require statements regarding labor conditions and relations which would summarize briefly the facts as to safety provisions, sanitation, range of wages, presence of company stores property or saloons on company property, etc.?

Mr. CUTTING. Well, we have never made any study of that kind at all. All the rates of wages, of course, are all tabulated in the individual statement in every case, the rate of wages always ascertained.

Chairman WALSH. But suppose you receive quite a number of applications, say, from one industry, and there are kept upon cards, I assume, a card index or something of that kind?

Mr. CUTTING. Yes.

Chairman WALSH. And a very great number of cards would show insufficient wages was the cause; would your investigation take the breadth of ascertaining the conditions in that industry?

Mr. CUTTING. It could always, but I do not think that we had any volume of information bearing upon any trade that would lead us to indicate that the wages in that trade were insufficient.

Chairman WALSH. Do you think that a private foundation, incorporated for benevolent purposes, should require current evidence regarding labor conditions in the corporations or securities which they hold?

Mr. CUTTING. If they had to do that I hardly see how they could conduct their business. I mean I think the trustees would have to turn them over to some employee.

Chairman WALSH. You think that the volume of information required would be too great to make it feasible?

Mr. CUTTING. That is my impression. I am not a member of any one of the great foundations.

Chairman WALSH. Well, outside of the amount of work involved, or the extent to which work would have to be done in that field, do you think it would be desirable to do so?

Mr. CUTTING. Well, it seems to me that the first thing to do for the trustees is to make the right kind of a man their executive officer, and then trust them.

Chairman WALSH. Are you familiar with the work of the various principal foundations, such as those established by Mr. Rockefeller, Mr. Carnegie, and Mrs. Sage?

Mr. CUTTING. I have only but a very limited information about any one of them.

Chairman WALSH. Do you feel that any safeguards are needed in the acts which incorporate foundations?

Mr. CUTTING. I should have liked to have seen the Rockefeller Foundation incorporated as they proposed it should have been incorporated by Congress. It seems to me a very wise provision that you remember provided for a number of the officials of the United States Government to be on the board. That struck me as being a very wise provision.

Chairman WALSH. Do you consider the charter of the Rockefeller Foundation as granted by the State too broad?

Mr. CUTTING. I have never read it.

Chairman WALSH. In its powers?

Mr. CUTTING. I have never read it at all.

Chairman WALSH. I will read you a section, Mr. Cutting, first naming the incorporators: "Together with such persons as they may associate with themselves, and their successors, are hereby constituted a body corporate by the name of the Rockefeller Foundation, for the purpose of receiving and maintaining a fund or funds and applying the income and principal thereof to promote the well-being of mankind throughout the world. It shall be within the purposes of such corporation to use as means to that end research, publication, the establishment and maintenance of charitable, benevolent, religious, missionary, and public educational activities, agencies, and institutions, and the aid of any such activities, agencies, and institutions already established, and any other means and agencies which from time to time shall seem expedient to its members or trustees."

Would you say that was or was not too broad?

Mr. CUTTING. I should say it was not too broad.

Chairman WALSH. Or that any limitation should be imposed upon it?

Mr. CUTTING. I can not think of any just now. If there were some suggestions made to me I might think of some, but I can not think of any now.

Chairman WALSH. The proposed bill which passed the House of Representatives and which received a favorable report by the Senate committee but did not pass, contained the following provisions:

"Congress specifically reserves the right to impose such limitations upon the objects of the corporation as it may deem the public interest demands."

Mr. CUTTING. Is that in the act of incorporation?

Chairman WALSH. That was the amendment made by the Peters bill. Do you believe that is a wise provision?

Mr. CUTTING. No.

Chairman WALSH. For the lawmaking body to make?

Mr. CUTTING. No.

Chairman WALSH. "The total amount of property held at any time, whether absolutely or in trust, is limited to \$100,000,000."

Do you believe that was a wise and proper provision for a lawmaking body to insert?

Mr. CUTTING. I do not think there is anything in that either.

Chairman WALSH. "The income of the property is not to be accumulated or added to the principal, but is to be currently applied to the objects of the corporation."

Do you believe that to have been a wise provision?

Mr. CUTTING. I think that within some limitations, yes. I would not have demanded that every penny be spent at the end of the year, but if toward the end of the year they had not found the proper means of using it, so far as it was carried over, I would make that period two or three years, I should say that they should dispose of all surplus income.

Chairman WALSH. "The corporation is empowered to distribute the principal of any property 50 years after its receipt; it is required to make such distribution after 100 years, if Congress shall so direct."

Do you believe that was a wise or proper limitation?

Mr. CUTTING. That is a section I do not see any virtue in.

Chairman WALSH. "The elections of new members of the corporation is subject to disapproval within 60 days by the four Federal officers and five university presidents specified in the bill."

Do you recall what the specification was in the bill?

Mr. CUTTING. I have forgotten.

Chairman WALSH. As to the officers. It was the President of the United States, the Chief Justice of the Supreme Court, the President of the Senate, the Speaker of the House of Representatives, and the presidents of Harvard, Yale, Columbia, Johns Hopkins, and the Chicago University.

Mr. CUTTING. I think that is a wise provision.

Chairman WALSH. That the following amendment also was incorporated in the grant, the inserting of the words, "by eleemosynary and philanthropic means."

Do you believe it was wise to put that limitation upon it?

Mr. CUTTING. I think that is pretty good; yes. I do not remember that.

Chairman WALSH. Do you believe that it was necessary to limit it, so that it might not go into a business activity or real estate activity?

Mr. CUTTING. I should say that that was a wise provision.

Chairman WALSH. Do you believe it is a necessary provision?

Mr. CUTTING. I would not think so, but I think it is wise.

Chairman WALSH. "That the minimum number of members of the corporation should be increased from five to nine, and that in that event of the number of members falling below nine the corporation is forbidden to make any gifts until the vacancies are filled."

Do you believe that that was a wise provision?

Mr. CUTTING. That seems to be wise, too; yes.

Chairman WALSH. What suggestion would you make regarding publicity of the work done by foundations, if any?

Mr. CUTTING. I think it ought to be. I think they ought to be required to publish annual reports.

Chairman WALSH. Do you think that foundations should publish the number and character of applications not favorably acted upon, not giving the names, but the number and character of the applications?

Mr. CUTTING. I do not see any particular virtue in that.

Chairman WALSH. So that the public might know whether or not it was discriminating against any class, for instance, or against persons in a particular industry in which the trustees were also directors or such matters as that? I merely suggest that as one of the reasons that might be given.

Mr. CUTTING. I do not see any objection to it at all.

Chairman WALSH. Do you not think it would be well to do that?

Mr. CUTTING. Well, I think it is rather trifling. I do not think myself there is any virtue, but I see no objection to it if there was the number given.

Chairman WALSH. Do you feel that the records of foundations should be open to public examination similar to such restrictions as govern public examination of official records in New York City?

Mr. CUTTING. Well, that is a question that I would want to think of a little bit. I do not know really whether or not there may be in dealing in the work of the foundation a good deal of a delicate nature—I mean in dealing with individuals, or with institutions—that would not want this sort of help they get acknowledged, but I do not know that that would be necessary.

Chairman WALSH. Under what circumstances do you consider that foundations—under what circumstances, if any, do you consider that very large foundations might become a menace to government or to industry or to the general cause of education?

Mr. CUTTING. I could readily conceive that, of course, there might—I do—if that got into the hands of narrow-minded men; I can conceive that anything that they might do—

Chairman WALSH. If a very large foundation got into the hands of narrow-minded men, or, of course, men of anything less than very lofty purposes?

Mr. CUTTING. Yes.

Chairman WALSH. Do you think that these large foundations should be subject to current inspection on the part of State or national bodies?

Mr. CUTTING. I do not see why they should.

Chairman WALSH. Do you see any objection to such a course of conduct on the part of the Government?

Mr. CUTTING. No; I do not think there is any objection to it at all.

Chairman WALSH. If so, to what bodies would you give the right of inspecting the foundations' records, and in New York such as the Rockefeller Foundation, the General Education Board, the Carnegie Foundation for Advancement of Teaching, and the Carnegie Corporation?

Mr. CUTTING. I really do not know.

Chairman WALSH. Have you ever thought of that?

Mr. CUTTING. Never; no.

Chairman WALSH. Which of the organizations of which you are a trustee has received funds from the following sources: Carnegie Foundation?

Mr. CUTTING. I do not think any institution with which I am connected.

Chairman WALSH. The Russell Sage Foundation?

Mr. CUTTING. I do not think of any institution.

Chairman WALSH. The General Education Board?

Mr. CUTTING. I do not think of any.

Chairman WALSH. The Rockefeller Foundation?

Mr. CUTTING. The Rockefeller Foundation, as I have already stated, the Association for the Improvement of the Condition of the Poor and the bureau of municipal research.

Chairman WALSH. How much money has the Rockefeller Foundation given to the bureau of municipal research altogether?

Mr. CUTTING. I should have to figure it up. I can give you all those details exactly.

Chairman WALSH. You could not approximate it offhand?

Mr. CUTTING. Well, there would have been gifts from time to time, so that I might refer to some memorandum I have I brought along with me, and perhaps that will help me to do so. Well, I should say, as far as I can make out with my additions here, a little less than \$100,000, which would not include \$30,000 that is provided for the investigation of the police department by the current committee of the lawmaking body, which money was dispensed through the bureau of municipal research.

Chairman WALSH. Do you have in mind any instances in which public employees or officials have been discharged or removed from office growing out of the criticism made by the reports of that organization of municipal research?

Mr. CUTTING. Yes.

Chairman WALSH. What department?

Mr. CUTTING. The Borough of Manhattan, Mr. Ahearn, discharged for that reason very largely, and to the publication of a report from his department.

Chairman WALSH. Any others?

Mr. CUTTING. Commissioner, or rather the president of the Borough of The Bronx—Haffen—was removed, and that was through the agency of the commissioner of accounts with whom the bureau cooperated.

Chairman WALSH. Any employees or officers of any municipal corporation outside of the city of New York?

Mr. CUTTING. I really could not recall and tell you now.

Chairman WALSH. The statement was made last summer that the Rockefeller Foundation had in addition given money to be spent by officers of the bureau as trustees although not given directly to the board of trustees of the bureau.

Mr. CUTTING. I do not recall that.

Chairman WALSH. If you have any knowledge of any such condition.

Mr. CUTTING. I did not remember anything of that kind at all to be expended as trustees or—

• Chairman WALSH. That did not go into the bureau as a whole?

Mr. CUTTING. I do not know of any such instance.

Chairman WALSH. Did the General Education Board, the Rockefeller Education Board, ever make a study of the bureau of municipal research?

Mr. CUTTING. Ever make a study of it?

Chairman WALSH. Yes.

Mr. CUTTING. They have been familiar with it from its inception.

Chairman WALSH. And did they ever make a specific study of it?

Mr. CUTTING. Of the whole bureau?

Chairman WALSH. Of the bureau of municipal research?

Mr. CUTTING. I do not think they ever did. They made a study of its educational activities.



**7950    REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.**

**Chairman WALSH.** Of the board of municipal research?

**Mr. CUTTING.** Yes.

**Chairman WALSH.** That bureau asked the General Education Board to make a study, did it?

**Mr. CUTTING.** I think that one of the directors of the bureau did.

**Chairman WALSH.** What director?

**Mr. CUTTING.** Dr. Allen.

**Chairman WALSH.** Did you, as an officer of the bureau, see a copy of the General Education Board's report?

**Mr. CUTTING.** Yes.

**Chairman WALSH.** Did you read it?

**Mr. CUTTING.** Yes.

**Chairman WALSH.** Do you consider its conclusions sound?

**Mr. CUTTING.** No.

**Chairman WALSH.** Why not?

**Mr. CUTTING.** I thought it was too superficial.

**Chairman WALSH.** You thought it was superficial?

**Mr. CUTTING.** Yes.

**Chairman WALSH.** Does the bureau—did the bureau make answer to the General Education Board?

**Mr. CUTTING.** Yes.

**Chairman WALSH.** And you, as chairman, prepared the bureau's answer, did you not?

**Mr. CUTTING.** Yes.

**Chairman WALSH.** Would you kindly summarize for the commission the answer sent by the bureau to the General Education Board's report?

**Mr. CUTTING.** It consisted almost entirely of opinions of the value of the work of the bureau as they were submitted by the representative men in various cities in which the bureau had worked.

**Chairman WALSH.** Did you send copies of bureau's answer to the press?

**Mr. CUTTING.** No.

**Chairman WALSH.** Was the bureau's answer presented to the board of directors of the bureau?

**Mr. CUTTING.** It was.

**Chairman WALSH.** And read aloud to them so that they were familiar with its contents?

**Mr. CUTTING.** It was.

**Chairman WALSH.** Was the bureau's answer given to any newspaper whatsoever?

**Mr. CUTTING.** No.

**Chairman WALSH.** The General Education Board's reply was given to the newspapers, was it not?

**Mr. CUTTING.** No.

**Chairman WALSH.** Why was not the report published, and were there any steps taken so far as you know to prevent its publication?

**Mr. CUTTING.** It was intended by the General Education Board as a private—for private circulation among its own members only, and it was regarded by them as a private document.

**Chairman WALSH.** Has the General Education Board replied to the bureau's answer?

**Mr. CUTTING.** No.

**Chairman WALSH.** Is it true that the General Education Board's report was submitted to the bureau of municipal research in March, and the reply submitted to the General Education Board early in April, and that the gift to the bureau from the Rockefeller Foundation came toward the end of June or the beginning of July, 1914?

**Mr. CUTTING.** I dare say that those are approximately the dates. I can not recall that exactly.

**Chairman WALSH.** That statement is correct so far as you know?

**Mr. CUTTING.** Yes; I think it is. I do not know the date any amount was received from the foundation, and I can not recall it.

**Chairman WALSH.** Do you understand that John D. Rockefeller, jr., is a member of the General Education Board, of its executive committee; a member of the Rockefeller Foundation and its executive committee?

**Mr. CUTTING.** I believe so, but I am not familiar with the organization.

Chairman WALSH. Do you understand also that Mr. Starr J. Murphy is a member of the General Education Board and the Rockefeller Foundation and of the respective executive committees?

Mr. CUTTING. I really do not know. I do not know anything about the organization of those bodies at all, but I dare say he is.

Chairman WALSH. Do you remember that while the board of trustees of the bureau of municipal research were reading aloud the General Education Board's report on the bureau, an invitation was received from Mr. Rockefeller by telephone, and that this invitation asked two of the trustees of the bureau of municipal research to meet Mr. Rockefeller at lunch two or three days later?

Mr. CUTTING. I do not recall that. It may have been at any time, but I do not recall the time when the invitation came at all.

Chairman WALSH. Do you recall there was such an invitation?

Mr. CUTTING. Yes.

Chairman WALSH. To which trustee of the bureau did this invitation come?

Mr. CUTTING. It came to me, and it came to Mr. Victor Morawetz.

Chairman WALSH. The Rockefeller Foundation has written to this commission that at this time Mr. Morawetz was a member of a special committee appointed by the foundation. Did you know of this in April when you received the message through Mr. Morawetz from Mr. Rockefeller?

Mr. CUTTING. He was a member of the committee of the Rockefeller Foundation.

Chairman WALSH. Let me read it over again, because it is a question submitted, and I am reading a written question. I did not get it up myself. It was gotten up by a member of our staff.

"The Rockefeller Foundation has written to this commission that at this time Mr. Morawetz was a member of a special committee appointed by the foundation. Did you know this in April when you received the message through Mr. Morawetz from Mr. Rockefeller?"

Mr. CUTTING. I did not know at any time that Mr. Morawetz had any connection with the Rockefeller Foundation.

Chairman WALSH. Can you tell whether the other trustees of the bureau of municipal research knew this fact at the time?

Mr. CUTTING. I do not know anything about it.

Chairman WALSH. Did you accept the invitation and meet Mr. Rockefeller two days later at luncheon?

Mr. CUTTING. Yes.

Chairman WALSH. Who else was in the party?

Mr. CUTTING. I think Mr. Starr J. Murphy.

Chairman WALSH. So the party consisted of Rockefeller, Murphy, Morawetz, and yourself?

Mr. CUTTING. Yes.

Chairman WALSH. Was the purpose of the meeting to discuss the General Education Board's report to the bureau?

Mr. CUTTING. No.

Chairman WALSH. What was the purpose?

Mr. CUTTING. I would like to read a memorandum in regard to that.

Chairman WALSH. Very good.

Mr. CUTTING. If you do not mind. It was thought it might be inquired about, and I put my recollection down on paper: "In the spring of 1914 Mr. John D. Rockefeller, Jr., invited Mr. Victor Morawetz and myself to lunch with him and Mr. Flexner of the General Education Board." That is a mistake. He was not at the meeting. Mr. Flexner was not at the first lunch that we had.

Chairman WALSH. He was not?

Mr. CUTTING. Mr. Flexner was not there. It was Mr. Starr J. Murphy. When we met, Mr. Rockefeller inquired with reference to the financial status of the New York Bureau of Municipal Research. He was informed that the five-year pledges which had maintained the bureau's work expired with 1914. He then expressed his warm interest in the bureau's local work and said that he would like to contribute for its continuance in 1915, but he said that he did not approve of the practice of the bureau of undertaking work outside of the State of New York for compensation, nor the action of the directors of the bureau in undertaking to deal with the strictly pedagogical problems involved in the management of the public schools. He stated that as he felt that these activities of the bureau were prejudicial to its usefulness as a local

institution he was not disposed to contribute to the fund of the bureau so long as these activities were continued.

The views expressed by Mr. Rockefeller were those already entertained by Mr. Morawetz and me and by several other members of the board of trustees. For several years members of the board had been much disturbed on account of controversies which had arisen in consequence of the activity of Dr. Allen, one of its directors, in connection with the management of the schools in New York City. Certain members of the board had indeed resigned because of their disapproval of the participation of Dr. Allen in pedagogical controversies, the bureau's original purpose being to confine itself to administrative matters and to seek from specialists the expert knowledge required by the city in dealing with technical questions. Whether right or wrong, upon the issues involved Dr. Allen's methods for promoting the adoption of his views were objectionable to the trustees and had completely alienated from the bureau some of its warmest friends and supporters.

I had several times reasoned with Dr. Allen and attempted to show him the inexpediency of the policy he was pursuing, and finally I had to request him to make no more public utterances in the pedagogical conflict which was going on.

The board of trustees of the bureau had also been discussing during the preceding year the advisability of separating the work of the bureau outside of New York from the New York work and of organizing an independent corporation to carry out the work outside of New York. Several plans for the accomplishment of this purpose had actually been formulated and laid before the trustees for their consideration.

Therefore when Mr. Rockefeller expressed the views which he did he found them entirely in harmony with those of Mr. Morawetz and myself.

At the next meeting of the board of trustees a report was made of the proposal of Mr. Rockefeller, and as it was found that members of the board were in entire agreement with Mr. Rockefeller in the views expressed by him his substantial offer of cooperation for 1915 was welcomed.

Chairman WALSH. One minute right at that point. What was the offer of cooperation?

Mr. CUTTING. He said he was glad to propose \$20,000 for the year 1915.

"However, the board felt that as a matter of principle it would be unwise for it to accept gifts subject to any condition which might restrict their freedom of action or future activities of the bureau."

Chairman WALSH. Was the contribution made?

Mr. CUTTING. It was made later on in the year; yes. It was made for 1914. It was made in 1914 after it was found that the bureau's activities might be supplemented in New York if it had funds for that year, so it was made in 1914.

Chairman WALSH. Did you know what the purpose of the meeting was—that lunch—before you attended?

Mr. CUTTING. I did not.

Chairman WALSH. Did you know that the purpose of the meeting was to discuss the General Education Board's report to the bureau and the bureau's answers?

Mr. CUTTING. I did not.

Chairman WALSH. Was the meeting upon your initiative or Mr. Rockefeller's?

Mr. CUTTING. Mr. Rockefeller's.

Chairman WALSH. Had Mr. Rockefeller read the bureau's answer?

Mr. CUTTING. He had received the answer that morning, but whether he had read it or not I can not say.

Chairman WALSH. Did you gather that he had personally read the General Education Board's report?

Mr. CUTTING. Well, I have gathered it from what he said, although we did not discuss it. We did not discuss the report at any length at all.

Chairman WALSH. What proportion of the luncheon time was given to the discussion of the General Education Board's report and the bureau's answer?

Mr. CUTTING. Very little.

Chairman WALSH. Sir?

Mr. CUTTING. Very little.

Chairman WALSH. Was the most of the time, then, given to discussing the bureau's finances?

Mr. CUTTING. The bureau's finances and its activities.

Chairman WALSH. Did Mr. Rockefeller at this time make suggestions as to the work the bureau should do and the way it should be done?

Mr. CUTTING. No; except those that I have enumerated in this manuscript.

Chairman WALSH. Were suggestions made by Mr. Rockefeller that were later embodied in a formal notice to the trustees of the bureau of municipal research in order that the trustees might know of them in advance of a board meeting?

Mr. CUTTING. No.

Chairman WALSH. Were the suggestions that were made by Mr. Rockefeller at that meeting put in writing?

Mr. CUTTING. Yes; they were put in writing; yes.

Chairman WALSH. Have you those written suggestions in your files, Mr. Cutting?

Mr. CUTTING. Yes.

Chairman WALSH. Will you kindly submit a copy of them to the commission?

Mr. CUTTING. Certainly.

Chairman WALSH. How much was Mr. Rockefeller giving to the bureau of municipal research at that time?

Mr. CUTTING. In 1904 he was giving \$1,000.

Chairman WALSH. Please summarize Mr. Rockefeller's proposal regarding the scope, form of organization, and method of the bureau of municipal research.

Mr. CUTTING. He never made any special expression of opinion upon the subject.

Chairman WALSH. I will ask you if his proposal contained the following suggestions: (1) Discontinue school work in New York City.

Mr. CUTTING. Not in that language; I am quite sure not.

Chairman WALSH. Well, in any language?

Mr. CUTTING. I am quite sure he never asked at any time to have the bureau discontinue the school work. He did object to the technical pedagogical interference of the bureau—I won't say interference, but its activities; activities which, as I have stated, were very objectionable to the trustees.

Chairman WALSH. Just indicate what you mean by the technical pedagogical work.

Mr. CUTTING. Well, I mean the curriculum of the schools, the method of instruction.

Chairman WALSH. He objected to that?

Mr. CUTTING. He objected to that; yes.

Chairman WALSH. At this luncheon?

Mr. CUTTING. Yes; at his luncheon.

Chairman WALSH. Was that written down?

Mr. CUTTING. I have a copy of the data.

Chairman WALSH. And that will be contained, whatever it was, in that?

Mr. CUTTING. That is the only memorandum there is.

Mr. WALSH. I will ask you if another of Mr. Rockefeller's proposals was to discontinue the bureau's current publicties through postal cards, weekly bulletins, and so forth?

Mr. CUTTING. He made no condition of that kind at all.

Chairman WALSH. Did he object during that conversation to the bureau issuing current publications, postal cards, and weekly bulletins?

Mr. CUTTING. No; he did not object. He did object to the form of a good many things, the form of which had been objectionable to the trustees.

Chairman WALSH. Is that suggestion as to the form of the publicity—bulletins and postal cards—contained in the letter that you are to submit to us?

Mr. CUTTING. I do not think that there is any reference made to it at all, if I remember correctly.

Chairman WALSH. Did he object to separate training schools from the bureau?

Mr. CUTTING. Did he object to a separate training school—object to it?

Chairman WALSH. Yes.

Mr. CUTTING. That would imply that it was operating a training school; therefore, no.

Chairman WALSH. Was there one projected?

Mr. CUTTING. No. There is a school that was part of the bureau's work, a training school.

Chairman WALSH. I believe you have already stated that he objected to any out-of-town work being done by the bureau?

Mr. CUTTING. He thought it was unwise; yes; inexpedient.

Chairman WALSH. And prior to that time you had been doing outside work in the municipalities of the United States?

Mr. CUTTING. Yes.

Chairman WALSH. Covering in its general scope the whole country?

Mr. CUTTING. The trustees had determined to discontinue it as a part of the bureau's work and to organize it as a separate organization.

Chairman WALSH. Did you at this time consider the proposals—the objections—of Mr. Rockefeller as objections on the proposed gift of \$20,000?

Mr. CUTTING. They were such, of course.

Chairman WALSH. They were such?

Mr. CUTTING. Inasmuch as I have already stated the objections of Mr. Rockefeller were those held by the trustees, there was no objection implied to it at all.

Chairman WALSH. And they were objections; they were the views of the board. If they had not been the views of the trustees you would not have gotten the money?

Mr. CUTTING. Would not have gotten the money.

Chairman WALSH. And the trustees discussed them as conditions, did they not?

Mr. CUTTING. I can not recall really how the discussion ran, but it was the one meeting we had.

Chairman WALSH. Then you passed a vote that you would not accept the money upon conditions?

Mr. CUTTING. Yes.

Chairman WALSH. When did you pass that vote with reference to the time that this luncheon was had in which the finances of the institution were discussed with Mr. Rockefeller and this promise of \$20,000 made?

Mr. CUTTING. It was made some time after that, of course.

Chairman WALSH. How shortly after that?

Mr. CUTTING. I can give you the record, but I really do not know.

Chairman WALSH. Could you approximate it within a week or a month, or how long after?

Mr. CUTTING. I should say within a month or so.

Chairman WALSH. And the vote was unanimous, you say?

Mr. CUTTING. Yes.

Chairman WALSH. And has the board continued its work in connection with the New York public schools?

Mr. CUTTING. I do not think it is doing anything in the public schools now; I do not know; I am not quite sure.

Chairman WALSH. As a matter of fact it thereafter discontinued its work in connection with the New York public schools?

Mr. CUTTING. It did. I do not think that at that time it was doing any work in connection with public schools at all. The only work being done in connection with public schools was being done on his own initiative by one of the directors.

Chairman WALSH. Did he cease doing that work afterwards?

Mr. CUTTING. He went at that time to the West.

Chairman WALSH. He went out West?

Mr. CUTTING. Yes.

Chairman WALSH. So there was no more work of that kind done?

Mr. CUTTING. I am quite sure at that time the bureau itself as an institution was not taking any part whatsoever.

Chairman WALSH. Who was the trustee who was doing the work, and who afterwards went out West?

Mr. CUTTING. Dr. Allen.

Chairman WALSH. Has the bureau itself continued its publicity through postal cards and weekly bulletins?

Mr. CUTTING. Yes. It is not doing it that way, but it is now issuing a monthly—more in the shape of a magazine—a larger publication.

Chairman WALSH. Did the magazine contain the same subject matter—same general subject matter—as the postal cards and bulletins that were sent out prior to the luncheon of which you have testified?

Mr. CUTTING. It differentiates from that very decidedly.

Chairman WALSH. Very different from what you were doing at that time?

Mr. CUTTING. Very different, indeed. That was exceedingly objectionable to the bureau trustees.

Chairman WALSH. Commissioner Weinstock wishes to ask you some questions.

Commissioner WEINSTOCK. I understood from your testimony, Mr. Cutting, that organized labor was opposing industrial training?

Mr. CUTTING. Yes, sir.

Commissioner WEINSTOCK. Well, did it change its attitude and favor it?

Mr. CUTTING. Yes; as far as doing it by public authority, and not private. It still retains its opposition, I think, to privately maintained enterprises.

Commissioner WEINSTOCK. That is, its present attitude does, as you understand it, oppose private industrial training, but does not oppose the public industrial training.

Mr. CUTTING. Yes. I think on the occasion of the convention of the federation of labor in Denver about three years ago, it took the position that it was not opposed to it when conducted by public institutions.

Commissioner WEINSTOCK. Do you know, and can you tell us if you know, why they differentiate as between private and public industrial training efforts?

Mr. CUTTING. Well, one reason, I suppose, was that they saw industrial training was coming, and they knew they should not oppose it. I know of no other reason. I am not in their counsel.

Commissioner WEINSTOCK. But why should they differentiate between private industrial training and public industrial training?

Mr. CUTTING. It may be on account of the prejudice involved and thinking perhaps that it was intended to supply strike breakers. That may have been one of the reasons.

Commissioner WEINSTOCK. Now, is there any good reason that you know of, Mr. Cutting, why industrial training should not be carried on by the State in the place of private beneficence?

Mr. CUTTING. None at all.

Commissioner WEINSTOCK. If the State would undertake to do it, would your society oppose it in any way?

Mr. CUTTING. Not at all; in no way.

Commissioner WEINSTOCK. You would be willing to retire from the field if the State would perform that function?

Mr. CUTTING. That is the fact.

Commissioner WEINSTOCK. You are only waiting for State action?

Mr. CUTTING. That is all. There was an objection, I think, in connection with the question of the method of apprenticeship.

Commissioner WEINSTOCK. Are those connected with your societies making any effort to get the State to introduce vocational training?

Mr. CUTTING. No; we have not done anything in that respect at all. It is coming slowly under the board of education now.

Commissioner WEINSTOCK. That is, you have taken no action either for or against it?

Mr. CUTTING. I heartily approve of it myself.

Commissioner WEINSTOCK. Of course you, in common with the rest of us, I take it, Mr. Cutting, realize that one thing that adds to value is scarcity?

Mr. CUTTING. Undoubtedly.

Commissioner WEINSTOCK. If, for example, gold was as abundant as iron is and iron as scarce as gold now is, their values would be reversed; and that one reason why mere muscle, pure and simple, is of less value than skilled labor is because muscle is more abundant than skilled labor. Now, suppose the situation should be reversed, Mr. Cutting. Suppose by virtue of vocational training throughout the public schools that there should be an oversupply of skilled labor and an undersupply of unskilled labor, would not the wage rate be likely to change?

Mr. CUTTING. It would seem likely that would be the case, but yet that has not been the experience with Germany, which has gone further than any other country, and where apparently the wage rate has not been reduced at all; but that is a country of industrial training.

Commissioner WEINSTOCK. Is that not because in Germany production has increased even more rapidly than the number of graduates of their technical schools? That if they had gone on turning out as many trained hands as they have turned out in the last 20 years, and production had remained where it was 20 years ago, there would be a surplus of skilled labor?

Mr. CUTTING. Undoubtedly.

Commissioner WEINSTOCK. But that has not happened in Germany, because production has even kept ahead of the number of skilled workers?

Mr. CUTTING. Yes.

Commissioner WEINSTOCK. Now, from what you know of industrial conditions in this country, Mr. Cutting, do you think that there is any danger—any proximate danger—of even having an oversupply of skilled labor?

Mr. CUTTING. I think it is a long distance ahead yet. I know that every spring vast numbers of artisans come over here from the other side.

Commissioner WEINSTOCK. Trained workers?

Mr. CUTTING. Trained workers.

Commissioner WEINSTOCK. Skilled workers?

Mr. CUTTING. Skilled workers, and they spend the whole summer over here, and spend enough money to come over and go back, and take just so much money out of the pockets of the untrained Americans who ought to be trained to do that work.

Commissioner WEINSTOCK. Your opinion, then, I take it, is that so long as we are obliged to import skilled workers from abroad to supply the demand, there is no danger of oversupply of skilled workers being suffered in this country?

Mr. CUTTING. Yes; and I meant to have with me to-day the number of those who came over last spring. I always get it from the office, but I have not got it here.

Commissioner WEINSTOCK. I have never had the opportunity of analyzing the immigration to this country, but I was under the impression that comparatively few skilled workers came from abroad, and that those who came were largely persons—

Mr. CUTTING (interrupting). We get a good many of those.

Commissioner WEINSTOCK. You do get a good many of those?

Mr. CUTTING. Yes.

Commissioner WEINSTOCK. Of skilled workers?

Mr. CUTTING. Yes.

Commissioner WEINSTOCK. From the cities of Europe?

Mr. CUTTING. Yes; in all trades.

Commissioner WEINSTOCK. And that in itself is an evidence that we have an undersupply of skilled workers?

Mr. CUTTING. It would seem so.

Commissioner WEINSTOCK. So you have no fears of our overdoing it?

Mr. CUTTING. Not for a long time yet. These men have what is called international union cards which permits them to work anywhere, and the young American who wishes to learn a trade is shut out.

Commissioner WEINSTOCK. You say if he wants to learn a trade he is shut out?

Mr. CUTTING. Yes, sir.

Commissioner WEINSTOCK. By whom?

Mr. CUTTING. By the unions.

Commissioner WEINSTOCK. By the unions, on account of their apprenticeship limitations?

Mr. CUTTING. Yes, sir.

Commissioner WEINSTOCK. Now, that point was raised, Mr. Cutting, while we had a representative of organized labor on the stand, I don't recall just where, whether in Washington or in Chicago, and the answer made was this: That as a rule the employers are taken into consultation when the question is being determined as to how many apprentices should be allowed; and that in many instances employers did not avail themselves of the limit placed by organized labor on apprentices; that they employed even less than the trades-union laws permitted; and that therefore the claim that American boys would be admitted into American trade is, like Mark Twain's death, grossly exaggerated. Now, do you know anything to the contrary?

Mr. CUTTING. I only know that, for instance, we get 500 or 600 young men in our New York Trade School who come from all sections of the United States, and who when they have had four months of seven hours a day have acquired a good deal more skill at their trade than the ordinary journeyman. True they have not yet got the flexibility of wrist and the strength of forearm that they will get through working a year, but with four months vocational training and a year's practice they are more competent than the average journeyman. Yet when those young men complete the course and come out and want to get into the union they can not get a helper's card.

Commissioner WEINSTOCK. Is there any allowance made on the part of the union for technical training? Is not the apprenticeship lessened by the trades-union on that account?

Mr. CUTTING. Well, the apprenticeship training is from four to five years, and during the first year a young man is not allowed to even touch a tool.

Commissioner WEINSTOCK. Now, here are two lads who come to a trade-union, one graduated from a technical school and the other not; are both required to serve the same period of apprenticeship, or does the trades-union give an allowance for the technical training?

Mr. CUTTING. It makes absolutely no allowance at all.

Commissioner WEINSTOCK. It does not?

Mr. CUTTING. None at all.

Commissioner WEINSTOCK. So they put no value on the technical training?

Mr. CUTTING. None at all.

Commissioner WEINSTOCK. Have you ever been able to ascertain the reason for trades-unions taking that attitude toward the graduates of technical schools?

Mr. CUTTING. Only to limit the number of those who went into the trades. That is what the law on apprenticeship is for, that for two years the young man is kept merely in the position of an unskilled laborer, and is not allowed to use the tools in the ordinary trade.

Commissioner WEINSTOCK. Now, if that is so, Mr. Cutting, what incentive is there for a lad to enter your technical schools?

Mr. CUTTING. There is not much. I mean there is not much with reference to the large cities; but there are a large number of these young men who take this training that come from other sections of the country where the unions are not as strong as in New York, and they go back to their homes or back into the country where the unions are not so strong, and then they come back to New York City with a union card.

Commissioner WEINSTOCK. Then they really have to invade trade-unionism?

Mr. CUTTING. Yes; they all try to join the unions as soon as they can.

Commissioner WEINSTOCK. Do you think trade-unionism is justified in taking this attitude?

Mr. CUTTING. I do not think it is, but at the same time I do appreciate the standpoint of the unions. Many of the men in them are along in years and have families, have children dependent upon them, and they argue they have to take care of themselves and say, "Why should we encourage young men to take the bread out of our mouths?" At the same time I do not think that society at large ought to encourage it.

Commissioner WEINSTOCK. Well, then, you think that the trade-unionist is very much like the rest of us in being absolutely opposed to monopolies except our own?

Mr. CUTTING. Exactly.

Commissioner WEINSTOCK. How would you overcome that situation?

Mr. CUTTING. Well, in the first place, I think, of course, it is one of the by-products of the closed shop. I do not believe in the closed shop a bit.

Commissioner WEINSTOCK. You do not believe in the closed shop?

Mr. CUTTING. No.

Commissioner WEINSTOCK. What are your objections to the closed shop?

Mr. CUTTING. Will you allow me to read a few words I have here?

Commissioner WEINSTOCK. Yes, sir.

Mr. CUTTING. "I thoroughly believe in trades-unionism. So long as we lack real cooperation between employer and employed it is necessary for the protection of the wage earner. I do not, however, believe in the closed-shop policy, and for their own sakes I hope the unions will soon come to discern its dangers. I am persuaded that this same policy under different names has appeared in nearly every phase of society in every age, and that its temporary success invariably demoralizes those who adopt it. It is discoverable in commerce, in industry, in politics, and in religion. In the last two it has been particularly mischievous. In politics we call it 'the machine,' and it all tends to create dependence upon the party lash rather than on party merit.

"In religion it is sometimes called 'orthodoxy,' and it has too often led religious organizations to treat their 'open-shop' members as unions treat nonunion workmen. In industry its success can only lead to the deterioration in the value to society of the tradesman as a producer and a citizen. With the closed shop in successful operation he does not need merit to assure his employment, for he can limit the supply of skilled labor. In this city several unions have adopted the expedient of high initiation fees to keep down their numbers, and, as you probably know, the term of apprenticeship is arbitrarily fixed at from four to five years in order to increase the difficulty in entering a trade. At the same time the number of apprentices is rigidly restricted. In



the electrical journeyman's trade employers are only permitted 1 apprentice to every 10 journeymen. In the plumbing trade the number of helpers in the shop can not exceed the number of journeymen. After two years he has to pass an examination before a joint committee of employers and journeymen. If he passes he becomes an 'improver,' and is at liberty to get any wages he can secure from his employer, but without help from the union. After two years more he becomes a journeyman. During 1914 only 16 helpers became improvers. In the sheet-metal workers' trade only one apprentice is allowed for every four men. In the marble-cutters' trade one apprentice is allowed in every shop and one additional to every five extra cutters, carvers, and setters employed until the number of apprentices reaches 10, which is the limit. In this trade the apprentice's pay is \$4.00 a week the first year and rises until it gets to \$2 a day for the fourth year. The carpenters only allow 1 apprentice for every 10 journeymen; the same conditions apply in the industry of metal-covered doors and windows and elevator manufacture.

"It is perfectly possible for a young man to perfect himself as a journeyman by a trade-school training of four months, seven hours a day, and a year's experience as a helper. He is, however, denied a union helper's card in this city, no matter how great his proficiency.

"Whether the tradesmen who take the civil-service examination in this city are representative or not I do not know, but their measure of capacity is not very creditable to American tradesmanship. We have every year a large immigration of foreign tradesmen who readily secure employment and find it profitable to travel across the ocean and back in the autumn with earnings that ought to go into the pockets of home industrials. Certain it is that the closed-shop policy and the limited membership in the union result in deterring our young men from learning trades. Many of them unquestionably drop out during their apprenticeship, discouraged with the difficulties and the unnecessary delay in acquiring a trade. For the first two years of the apprenticeship in some trades they are not even allowed to handle tools.

"As long as these by-products of the closed shop continue in this city our expectations of the value to industrialism of trade instruction will not be realized. Indeed, I do not believe that our recently opened vocational public schools have attained to the popularity that we anticipated. I think that a statistical inquiry should also be promptly started by the board of education to discover, as far as possible, how many of the youths who would take trade instructions actually reach the ranks of journeymen.

"That many tradesmen are now out of employment does not, in my opinion, indicate a continuous oversupply of labor. I am persuaded that building enterprise is suffering from a rate of wages in some trades that has defeated its own ends. I am sure I am glad to have wage earners enjoy as large an income as possible, but I believe that the bricklayers' wage of \$5.60 per day has gone far to make building so unprofitable as to partially paralyze the industry, and I think he will make more money annually from the increased activity in the trade if he were receiving \$4.50 a day instead of \$5.60.

"At the present moment I believe we can start a building boom if bricklayers, carpenters, plumbers, ironworkers, stonecutters, and steam fitters would agree to cut their wages 15 per cent for the next 12 months.

"In expressing my views about the closed shop, I am not inappreciate about the viewpoint of the wage earner. To him the immediate personal advantage is the great desideratum, and this the closed shop seems to promise, but that this policy should be encouraged by employers seems to me to be most shortsighted and positively demoralizing."

Commissioner WEINSTOCK. You spoke of certain unions that fixed the high initiation fees in order to discourage membership and in order to create a monopoly. Can you state any specific instances, for the information of the commission, of unions which have established those initiation fees?

Mr. CUTTING. I think they all have an initiation fee of at least \$50, and some as high as \$100.

Commissioner WEINSTOCK. Fifty dollars is the minimum?

Mr. CUTTING. Yes.

Commissioner WEINSTOCK. In practically all trades?

Mr. CUTTING. Yes; I think so.

Commissioner WEINSTOCK. In the building trades?

Mr. CUTTING. Yes, sir. It is true that sometimes they let the bars down to the extent that a young man can pay \$10 down and \$10 a month. My impression is that a large number of our young men, who are about as fine a class of

Americans as is to be found in the country, 95 per cent of them being American born, jump out because they find they can not get employment in their trades on account of the unions, and thus lose the benefits of the education they have acquired; and I think our public schools are going to suffer from that same thing; and it seems to me that some inquiry should be instituted right away to see how many graduates of our vocational schools become journeymen.

Commissioner WEINSTOCK. The inference of your statement is that trade-unionism is not—stands not only for the closed shop but for the closed union?

Mr. CUTTING. That is a by-product of the closed shop. It could not happen with the open shop.

Commissioner WEINSTOCK. Would you object to the closed shop if there was an open union? If all decent, respectable men were admitted into the union on a small initiation fee, with small weekly dues, would you then object to the closed shop?

Mr. CUTTING. I do not think that the closed shop could exist without the other; I think it is the foundation of all the other. We have a union known as a preferential union among the cloak makers that was the open shop, and it is the most successful union in the city. It has no initiation fee.

Commissioner WEINSTOCK. I do not understand that the preferential union has the open shop. What I understand by preferential union was as explained by Mr. Brandeis.

Mr. CUTTING. I should perhaps not have spoken of open shop, but there was absolutely no initiation fee. Anyone can join the union, and so far as preference is concerned it can not demand that its members alone shall be supplied. If they can not supply them, they may go outside.

Commissioner WEINSTOCK. What I understand it to be in the cloak trade is that the employer agrees to give the unionist preference and will employ non-unionists only when a unionist is not available?

Mr. CUTTING. Yes.

Commissioner WEINSTOCK. But if the unionists are available, it becomes practically a closed shop?

Mr. CUTTING. Yes; only the employer has the right at any time to discharge anybody who has no merit, and they employ people with merit.

Commissioner WEINSTOCK. Do you understand that under the closed-shop plan the employer has a right—the privilege to discharge an incompetent man?

Mr. CUTTING. In the steam fitters' trade he does not have anything to say about the employment of his helpers—the union employer—and he has to pay them \$3 a day.

Commissioner WEINSTOCK. Regardless of merit?

Mr. CUTTING. No; I suppose for bad behavior he is thrown out.

Commissioner WEINSTOCK. If the workman is inefficient, he can not discharge him?

Mr. CUTTING. I do not say that he can not discharge him, but he has to take the man, whether efficient or inefficient, certified by the union; he has no voice in that.

Commissioner WEINSTOCK. That is all, Mr. Cutting.

Chairman WALSH. Prof. Commons would like to ask some questions.

Commissioner COMMONS. Apparently the impression one would get from your answer is that this donation of Mr. Rockefeller's to the Rockefeller Foundation was the influence which changed very fundamentally the policy of the bureau of municipal research with reference to three or four points.

Mr. CUTTING. That is a mistake. I do not think I said that, Prof. Commons.

Commissioner COMMONS. What I want to get at is this: Has any public statement been made to the effect that his influence or the influence of the Rockefeller Foundation was used for that purpose?

Mr. CUTTING. Has any statement of that kind been made?

Commissioner COMMONS. Yes.

Mr. CUTTING. Well, I rather think it was made by Mr. Allen yesterday, if I remember rightly.

Commissioner COMMONS. At what time was such a statement made?

Mr. CUTTING. I think at a time when his term of office had ended with the bureau.

Commissioner COMMONS. When was that?

Mr. CUTTING. That was after the expiration of his fiscal year; I think about the first meeting in October.

Commissioner COMMONS. Do you remember what the charge was he made?

Mr. CUTTING. No; I have forgotten, but I think it appeared in a letter he made public. He offered his resignation at that time.

Commissioner COMMONS. Was any reply made by you or the board of the bureau of municipal research?

Mr. CUTTING. At that time?

Commissioner COMMONS. Yes.

Mr. CUTTING. I do not think any.

Commissioner COMMONS. You have stated here that you had determined upon a policy practically the same as that which Mr. Rockefeller approved of at some time prior.

Mr. CUTTING. Oh, yes.

Commissioner COMMONS. Had you ever, as a board, approved the policy which Mr. Allen was conducting, which you then changed?

Mr. CUTTING. No; I do not think at any time at all. The fact is, that I had reasoned with him at several times, and finally forbade him to appear in the public print as representing the bureau in any controversy.

Commissioner COMMONS. What controversy was that?

Mr. CUTTING. In a pedagogical controversy going on at that time between those that represented an investigation made of the board of education and Profs. Conness and Moore.

Commissioner COMMONS. What time did the board begin its activity through Dr. Allen in investigating the public schools?

Mr. CUTTING. The bureau never at any time took any part in that controversy, except in so far, of course, as it was involved by the fact that this controversy was carried on by Dr. Allen.

Commissioner COMMONS. Did your board make any appropriation of any budget to enable him to make that investigation?

Mr. CUTTING. I do not recall that it did. I think whatever expense there was—and I do not think there was any expense in matters of that kind—came under the general heading of the bureau's activities. I can only say it was exceedingly distasteful to the trustees of the board, and on more than one occasion Dr. Allen had endeavored to get me to take part in the controversy and I had declined.

Commissioner COMMONS. Was it the unanimous opinion of the board during this time that that should not be kept up?

Mr. CUTTING. Oh, yes.

Commissioner COMMONS. And why had not action been taken earlier, Mr. Cutting?

Mr. CUTTING. Out of consideration for Dr. Allen. All the trustees had a very high opinion of him at that time and all liked him. He was more involved in that than anything else; that is, his particular gift was pedagogy and he devoted himself more to that than anything in the bureau at all.

Commissioner COMMONS. Now, the bureau, from the standpoint of the trustees, made a distinction between pedagogical questions and administrative questions?

Mr. CUTTING. Yes.

Commissioner COMMONS. Do you consider that the administrative functions of the public schools come under your legitimate field?

Mr. CUTTING. Entirely so.

Commissioner COMMONS. But not their pedagogical affairs?

Mr. CUTTING. We are going to take that up at an early date—the administrative side.

Commissioner COMMONS. For what reason did you feel that he should not enter into the pedagogical questions?

Mr. CUTTING. On account of its technicalities. No one of the trustees was at all familiar with the pedagogical side of the subject, and it was thought too complicated and abstruse for us to give the time required to understand it. We did not want to do it, and could not do it.

Commissioner COMMONS. In the administrative questions did you give time to that or leave it to the directors?

Mr. CUTTING. To the directors, who reported from time to time to the board.

Commissioner COMMONS. But you approved of them?

Mr. CUTTING. Yes.

Commissioner COMMONS. What caused you to be more informed on that class of questions?

Mr. CUTTING. They were easier for us to understand as trustees.

Commissioner COMMONS. Why?

Mr. CUTTING. Well, you are an educator, and these are simple problems to you—the pedagogical; but to those who are not educators, they are really very abstruse. I know nothing about it myself.

Commissioner COMMONS. That is, you consider that the trustees feel that they are business men, and feel that they should not go into the pedagogical field?

Mr. CUTTING. That is it exactly. For instance, we have had a large and important work going on for some time past with reference to the relative cost of the public service by the Edison Co. and the city, and we have employed experts, not being ourselves sufficiently expert to go into that question.

Commissioner COMMONS. Could you furnish us with files of this publicity material as to which you objected? Also of the kind of reports or investigations which were being made of the school system, which you objected to, for our exhibits?

Mr. CUTTING. I do not think they were published in reports of any kind at all. The trustees took no part in that at all.

Commissioner COMMONS. I mean the publicity matter that was being published by Mr. Allen, which you said—

Mr. CUTTING (interrupting). I would have to get that from clippings from newspapers and letters over Dr. Allen's signature.

Commissioner COMMONS. And postal cards?

Mr. CUTTING. Cards and newspaper articles.

Commissioner COMMONS. Would not your office have files of all publicity material that has been sent out?

Mr. CUTTING. Yes.

Commissioner COMMONS. Could we have exhibits selected from them?

Mr. CUTTING. Yes; you can send anyone and he will be allowed to go all through the files and pick out what he likes.

Commissioner COMMONS. What I am trying to get at is the particular question of publicity that you and Mr. Rockefeller agreed was not advisable.

Mr. CUTTING. I can give you—you can go over all the files we have in our office—anyone you send down can get all the facts you want. We objected to it on account of its phraseology and style which seemed cheap and unworthy of the bureau of municipal research.

Commissioner COMMONS. It was simply on account of its cheapness?

Mr. CUTTING. Yes.

Commissioner COMMONS. Were there any other objections to it?

Mr. CUTTING. Those were the main objections. At one time we did object to a good deal that appeared in those things and passed a resolution that those bulletins should contain nothing except clippings from newspapers, because there was a good deal that came to us at that time that was objectionable, and we had to shut down on it in that way.

Commissioner COMMONS. Regarding the publications you objected to, were the bulletins gotten out by the bureau under Mr. Allen's direction, that involved the bureau in this pedagogical controversy?

Mr. CUTTING. There were so many that came out, because they came out weekly; but I do not recall all of those. I do not remember really what appeared on that subject.

Commissioner COMMONS. I suppose your answer about furnishing them, is the same as the other?

Mr. CUTTING. Yes; I can look over them, but I would rather that you would go over what we have and select what you want.

Commissioner COMMONS. That would—we would then be sending a man to determine as to what was your thought, and that we do not know.

Mr. CUTTING. What would you like to have exactly?

Commissioner COMMONS. I would like to know the kind of publicity and the kind of investigation which your board thought was not a proper thing to be sent out.

Mr. CUTTING. I will try to find out and send it to you.

Commissioner COMMONS. Which will be your own selection?

Mr. CUTTING. I will try and find some and send it to you. I might say that that kind of publicity has already cost us one of the most valuable members of our board, who, after a number of protests, finally resigned.

Commissioner COMMONS. Was Mr. Allen's resignation based on your discontinuance of this policy?

Mr. CUTTING. His resignation was based on the fact that he had been informed that he would not be reelected a director at the expiration of his term.

Commissioner COMMONS. On what grounds?

Mr. CUTTING. That we did not want his services any longer.

Commissioner COMMONS. For what reason?

Mr. CUTTING. We found his methods objectionable.

Commissioner COMMONS. Which methods?

Mr. CUTTING. Nearly all of them; his relation to public officials, his manner of approaching almost everybody interested in the work. He had made so many enemies for us in our work that if he had not discontinued his connection with the bureau we should have gone to the wall soon.

Commissioner COMMONS. In what sense would you have gone to the wall?

Mr. CUTTING. He had created and succeeded in creating such a body of opposition to us of people who objected to the methods of the bureau because of the methods of Dr. Allen that we were not only losing friends, but making enemies very rapidly in New York.

Commissioner COMMONS. Then, what, in your own way of putting it, would be the part that Mr. Rockefeller and the foundations which he represented—what part or influence did they have in this general situation of discontinuing this work and of discontinuing Mr. Allen's services?

Mr. CUTTING. He never made any protest against Dr. Allen at all as a director of the bureau.

Commissioner COMMONS. He never what?

Mr. CUTTING. He never made any protests about the connection of Dr. Allen with the bureau.

Commissioner COMMONS. There was action by the bureau itself?

Mr. CUTTING. By the bureau itself entirely. He never made any suggestion at that time whatsoever.

Commissioner COMMONS. How about your policy, then, with reference to these public investigations, investigations of these schools and other things? What was the influence that Mr. Rockefeller had as against what the board had determined as their own policy?

Mr. CUTTING. I don't think I quite follow you, Professor. I don't quite understand your question.

Commissioner COMMONS. The question is, this action of the board was taken after Mr. Rockefeller had promised this \$20,000.

Mr. CUTTING. Oh, yes, sir.

Commissioner COMMONS. Now to what extent—you say you had made up your mind before that time to take the same action. To what extent did his influence as against the board's action determine the policy—the final policy? I just want to see how you would state it in your own way. The issue is very square and very plain there and it is a very important consideration if tremendous fortunes of this kind are to dominate men like you and those associated with you in these lines of public work.

Mr. CUTTING. Precisely.

Commissioner COMMONS. And I wish you would state definitely in your own way how you think that situation affected you in those lines of work?

Mr. CUTTING. Well, I can say this, that it affected me so far as this: That we did not quite see how we were going to continue on such a scale of work as we had been in the past, in 1915. We had been considering a number of policies, and Mr. Rockefeller's suggestion that he would give us \$20,000 a year—at least, \$20,000 in 1915—was a very gracious proposition to us, no doubt. And as we found that his view about the continuance of the bureau were those already entertained by us, we were glad to accept it immediately. What his proposition did probably was to bring to a head the somewhat nebulous condition of the bureau at that time. I am afraid the trustees are a little too busy men. It was rather hard for us at times to get a meeting; and this brought to a head the issue that we had been considering for some time.

Commissioner COMMONS. That is all.

Chairman WALSH. Commissioner Garretson would like to ask you some questions.

Commissioner GARRETSON. The situation, as I have got it—it is difficult to hear over there—is this, Mr. Cutting: The Rockefeller fund, through whatever channels it may have been, offered you \$20,000 with certain conditions attached thereto. The trustees of your institution immediately, by unanimous vote, refused to accept the money with the conditions. Is that correct?

Mr. CUTTING. Yes.

Commissioner GARRETSON. Then you immediately proceeded to correct every one of those conditions, so that the money could be given virtually without any conditions, and it was given and you immediately accepted it. Is that it?

Mr. CUTTING. No; I don't think that is a correct statement of the case, because that implies, of course, that we changed our minds, which was not the case. We did not change our minds. Our minds had already been made up on these identical subjects.

Commissioner GARRETSON. Well, is that a statement of the results that were attained regardless of whether you changed your mind or not?

Mr. CUTTING. Well, even then—no, it is incorrect. Our policy was changed in this respect only: The one man in the bureau who had been conducting this policy to which we objected in reference to pedagoging the public schools at that time went West. No one else in the bureau had been conducting it, and no one else of the trustees wanted to conduct it, and when he left and went West it ceased.

Commissioner GARRETSON. Well, where did you stand on the basis of your first resolution that you would not accept the money with conditions attached, and your second action accepting it when you had beforehand complied with those conditions?

Mr. CUTTING. We stood just exactly as I have said. That proposition had made a little more concrete in our minds what had before been a little bit nebulous, and we had determined to carry out a policy to which we were all agreed. No conditions when the money came to use were attached to it at all.

Commissioner GARRETSON. Would not a parallel condition be that if a church was a member of a certain denomination and on account of the fact that it belonged to that denomination it could not get certain money, and would refuse the money that was offered it if it changed its denomination, and it spurned the offer, and then changed its denomination and took the money.

Mr. CUTTING. Not if that religious organization had before determined that it was going to join the other.

Commissioner GARRETSON. Wherefore, if you had already determined, what was the necessity for the declaration of refusing?

Mr. CUTTING. Because we knew that it would be put up to us exactly in that way, and we did not choose to condition ourselves from any future gifts that might come to us.

Commissioner GARRETSON. And you proceeded to free yourselves from that necessity?

Mr. CUTTING. Yes.

Commissioner GARRETSON. That is all.

Chairman WALSH. I have a question or two further along that line, so that I may perhaps get a little better understanding. Now, one of the objectionable things to Mr. Rockefeller was this examination of municipalities and of local bodies of government outside of the State of New York; is that correct?

Mr. CUTTING. Yes.

Chairman WALSH. And in a sort of nebulous manner the trustees were objecting to that also. That is correct, is it?

Mr. CUTTING. We have before us two distinct plans, yes, for the organization of that particular work on a separate basis which the trustees at that time were considering.

Chairman WALSH. Now, the gift of \$20,000, among other things, brought that immediately to a head?

Mr. CUTTING. As a matter of fact, the bureau has not discontinued that work. So that the conditions of that gift have not been complied with. It is to-day carrying on work outside of the city of New York.

Chairman WALSH. Is it going to discontinue it?

Mr. CUTTING. We are going to let it go slowly, by degrees, I think, for the reason that we have not got the capital to maintain it. It requires a considerable amount of capital, of course, because our men have to be paid, and we have to wait for the municipalities to pay us, and we have got involved somewhat too deeply.

Chairman WALSH. On the day of this luncheon an investigation was being made by the municipal bureau experts in Colorado, including an investigation into the juvenile court presided over by Judge Ben B. Lindsey?

Mr. CUTTING. My impression is, so far as I recollect that, that that was being conducted by the bureau of municipal research founded in Denver by citizens of Denver, and we were supplying them with a certain number of men.

Chairman WALSH. Well, that was the way you supplied men always, wasn't it, to other organizations outside of the State of New York?

Mr. CUTTING. No, because it rarely happened that we go where our organization has been effected. They will get together a few citizens, say, and provide

three or four thousand dollars or so; but my impression was at that time and is to-day that there was a local bureau of municipal research and that it had a number of our men working for it.

Chairman WALSH. And your experts of the board of municipal research then were in the State of Colorado on the date of this luncheon?

Mr. CUTTING. Very likely; I do not recall. We were carrying on the work at that time on rather a large scale all over the country.

Chairman WALSH. Did or did not the investigation at Denver include an investigation of Ben B. Lindsey, judge of the juvenile court of Denver?

Mr. CUTTING. I don't know at all.

Chairman WALSH. Have you the result of that investigation in your office?

Mr. CUTTING. It may be; I have never seen it.

Chairman WALSH. In whose particular charge would that report be?

Mr. CUTTING. That would be the director of the bureau now.

Chairman WALSH. Who is that?

Mr. CUTTING. Dr. Cleveland.

Chairman WALSH. Will you kindly submit that report if you can to-morrow?

Mr. CUTTING. Certainly.

Chairman WALSH. Thank you.

(See Cutting exhibit.)

Chairman WALSH. Commissioner Weinstock has a question.

Commissioner WEINSTOCK. The statement has just been made to me, Mr. Cutting, by a labor representative, who shows me his card as a member of the painters' and decorators' association, that the statement that the minimum fee for initiation is \$50. He tells me that in his union it is \$5.

Mr. CUTTING. I think he is entirely right. I have a great deal of sympathy with the painters. I think their wages are entirely too low, whether on account of the fault of their organization, because it is not as strong as it ought to be, I can not say. They get only \$3.50 a day, and they ought to get \$4 or \$4.50. They can not keep up their union anyhow; and with reference to the painters, I have no doubt that is right.

Chairman WALSH. You will be excused, Mr. Cutting, and kindly submit—

Mr. CUTTING. I would appreciate it if I can get a reference to all the various things you want me to furnish you.

Chairman WALSH. Yes; our organization contemplates turning over to you and calling your particular attention to the particular things we have been asking you about.

Mr. CUTTING. There is something you wanted of me to-morrow.

Chairman WALSH. Well, I asked you particularly for to-morrow for the report on Colorado by the experts that were making that examination at the time that this discussion and acceptance took place.

Mr. CUTTING. Yes; if we have that in the office you shall have that to-morrow.

Chairman WALSH. If you find it in the office, will you kindly ask Mr. Cleveland to drop over here so we may ask him a question or two about it?

Mr. CUTTING. Certainly.

Chairman WALSH. You will be excused temporarily, and thank you for your patience.

We will now stand adjourned until to-morrow at 10 o'clock, to meet in this room.

(Thereupon, at 4.30 o'clock p. m. of this Thursday, January 28, 1915, an adjournment was taken until 10 o'clock a. m. of Friday, January 29, 1915, to meet in the aldermanic chamber.)

---

NEW YORK, January 29, 1915—10 a. m.

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Harriman, Ballard, Weinstock, Garretson, and Commons.

Chairman WALSH. The commission will please come to order. The house will be in order, please, and we will now proceed.

Dr. Eliot.

#### TESTIMONY OF DR. CHARLES W. ELIOT.

Chairman WALSH. Please state your name.

Dr. ELIOT. Charles W. Elliot.

Chairman WALSH. And your business or profession, please.

Dr. ELIOT. Education.

Chairman WALSH. Where do you reside, Doctor?

Dr. ELIOT. Cambridge, Mass.

Chairman WALSH. Are you a member of the General Education Board, established by Mr. Rockefeller, the Rockefeller Foundation and the sanitary commission conducted by the Rockefeller Foundation?

Dr. ELIOT. I am of all three.

Chairman WALSH. Are you connected with any other boards, Doctor?

Dr. ELIOT. Any other boards?

Chairman WALSH. In which Mr. Rockefeller's benefactions take part?

Dr. ELIOT. No other boards. I am connected with various other boards, of course, but not in connection with the Rockefeller interests.

Chairman WALSH. I understand. Are you a member of the bureau of social hygiene?

Dr. ELIOT. Of the American Social Hygiene Association; yes; I am.

Chairman WALSH. You were for several years a member of the Carnegie Foundation for Advancement of Teaching, I believe.

Dr. ELIOT. I was.

Chairman WALSH. Were you during 1908 a member of both the General Education Board and the Carnegie Foundation?

Dr. ELIOT. I think I was. I am not perfectly sure, but—yes; I must have been for about a year a member of both.

Chairman WALSH. Are you now a member of the Carnegie Peace Foundation?

Dr. ELIOT. I am.

Chairman WALSH. Please name any other foundations established by Mr. Carnegie of which you are now a member.

Dr. ELIOT. No other.

Chairman WALSH. Do you believe it is to the public interest to have interlocking directorates among the private foundations of large active foundations, Doctor?

Dr. ELIOT. Interlocking directorates?

Chairman WALSH. Meaning by that a large number of the same persons serving on the different boards of the large foundations.

Dr. ELIOT. I suppose it contributes to efficiency in a good many of these endowments for the same men of experience serving more than one board.

Chairman WALSH. Are there any circumstances under which you would consider it inadvisable to have interlocking directorates of that sort?

Dr. ELIOT. I have no experience of any such—I have no observation of any such conditions.

Chairman WALSH. Do you have in mind any circumstances under which, having the same directors upon the different boards, ill might come about, bad results might come, either from the point of the persons not being able to give the proper personal attention to the duties of all of the boards or from impressing the viewpoints in one upon the other?

Dr. ELIOT. The only observations I have made on that point are that in some of the endowments with which I have been connected the offices have been undermanned, partly in consequence, I think, of the efforts to employ the same men in more than one capacity, the result being that the men so employed are overworked, can not transact efficiently the business of the different endowments.

Chairman WALSH. With the large number of the country's business and professional men and educators to draw from, Doctor, do you think that there is any substantial reason for having the same men serving upon different boards, leaving aside for the present those that might be considered extra efficient or with a peculiar knowledge?

Dr. ELIOT. It has seemed to me in those boards with which I have been connected that the most efficient men were the men of widest experience—largest experience—and that there was great value in keeping such men in constant service, and as wide a service as is physically practicable. It has not been my observation that there is any abundance of such men in the American community.

Chairman WALSH. It has been shown here, Doctor, that Mr. Rockefeller, Jr., Mr. Murphy, Mr. Greene, and Mr. Gates, until a short time ago, are on each of the three foundations established by Mr. Rockefeller, and on the sanitary commission, as well as on Mr. Rockefeller's personal staff. These men also constitute largely the majority of the executive committee of the foundation, its financial committee, its nominating committee, and the executive committee of the General Education Board. Do you consider that is desirable interlocking in this particular instance?



Dr. ELIOT. I do not, because those men you have mentioned have not the physical strength to bear such complicated and constant labor. That just illustrates what I mean by saying that I have seen often endowments rendered less effective because they were undermanned; that is, did not employ men enough for their work, and that is just the case now with the Rockefeller endowments.

Chairman WALSH. How much attention do you, as trustee, Doctor, find it necessary and possible to give to the work of the Rockefeller Foundation and the work of the General Education Board?

Dr. ELIOT. That is a little difficult to define, the amount of attention one gives, but I find it possible to attend all of the meetings of these boards, and to read all their reports, and to inform myself generally with regard to their functions. I have given a very substantial portion of my time since 1908 to the Rockefeller boards, a substantial portion.

Chairman WALSH. Could you, in a general way, Doctor, state about what part of your time is given to the duties that you have performed; that is, meeting with the boards, advising with them through correspondence or otherwise, or any other matter that might suggest itself to you?

Dr. ELIOT. The General Education Board I have been a member of since 1908, and they have at least three, and sometimes four, meetings a year, and they are long and strenuous meetings. The members of the board are always provided beforehand with reports upon the work to be done at the coming meeting, and throughout the year they receive a series of reports of the work going on. It takes a good deal of time to read all these reports. I have been in the habit of giving whatever time is needed. For instance, yesterday I was in a meeting of the General Education Board from half past 10 until 5, and it was a fully occupied meeting, and its doings related to subjects which I have always been very much interested in. I take a keen interest in the proceedings of the board consequently. They relate to education, public health, and sanitation.

Chairman WALSH. Do you know of any instances where educators have been unduly influenced, whether consciously or unconsciously, in their educational views or methods by their desire to secure funds of the General Education Board or the Carnegie Foundation?

Dr. ELIOT. Influence in a bad direction?

Chairman WALSH. In any direction; and, if so, how, Doctor?

Dr. ELIOT. I have known many instances in which presidents of colleges and technical schools were influenced by the policy of the General Education Board, but I never knew of any bad influence; it has always been for good.

Chairman WALSH. Well, indicate, if you will, Doctor, along what lines they were influenced, either as broad and general, if it suggests itself, or specifically if you can think of instances.

Dr. ELIOT. I have known gentlemen seeking gifts from the General Education Board to be very much informed as to the method in which they could procure great gifts for education, not only from the General Education Board, but others. I have known their efforts to be greatly stimulated toward getting money from others as well as from the Rockefeller board. I can, perhaps, illustrate that by saying what happened to myself before I was a member of the General Education Board. Indeed, I think it was before the General Education Board was created by Mr. Rockefeller, sr. We were engaged in the medical school of Harvard University in erecting new buildings of great utility and beauty, and we were also very much concerned in how we should be able to live in those buildings after we had got them, because we had not the means of carrying on those buildings in the proper manner. I hoped that Mr. Rockefeller, sr.—it was before the institution of the General Education Board—would give us a considerable sum of money. With a committee of the medical faculty I applied for a gift, without specifying the amount, and supported this application with a statement of what the buildings were going to cost, how much money we had got toward them, how much money I supposed it would be necessary for us to have to maintain and live in those buildings, and what we got toward that charge. In the first place, Mr. Starr Murphy was sent by Mr. Rockefeller, sr., to the Harvard Medical School, and he examined the whole institution in all its details, its resources, its funds, its management. He also inquired into the general management of their property and funds by the president and fellows of Harvard College—that is, the charter body, chartered in 1650, which holds all the property of our university and manages it. After an examination of three weeks he went away and left me with the statement that he was going to prepare a report to Mr. Rockefeller, sr.

A few weeks later I was invited to come to the Rockefeller office in this city for an interview with Mr. Starr Murphy and Mr. John D. Rockefeller, jr. Mr. Rockefeller, sr., did not appear. Mr. Rockefeller, jr., was the spokesman at this meeting, and he told me that our calculations of what would be necessary to have in hand as a fund to support those buildings and live in them effectively—that my calculations were not correct; that it would take more than I supposed, but that if Harvard University and its friends would raise \$875,000 more than they had raised—they had already raised a considerable sum—that his father would give the Harvard Medical School \$1,000,000, either to use on buildings or to hold as an endowment. Now that at the moment was somewhat discouraging; but it was a very valuable instruction to me and to Profs. Bowditch and Warren, who accompanied me. I accepted the condition on the spot, and Mr. Rockefeller's purpose as indicated by his son was carried out after we had raised \$875,000 more. We then proceeded to finish those buildings and live in them, and the statement made to me by Mr. John D. Rockefeller, jr., was absolutely justified. He was right entirely in the instruction he gave me in order to carry out the job which I had in hand.

Now, I have known a good many other presidents of colleges, technical schools, and so forth, much instructed in those ways by the agents and officers of the General Education Board; that is, their function in that respect seems to me a very useful one. The result can be seen in facts which are published and, I doubt not, are before the commission. By giving away \$72,000,000 to the institutions of higher education, the General Education Board has brought into education additional amounts to the extent of \$117,000,000; that is, in all nearly \$200,000,000 have been put into American education through the working of the General Education Board since 1902. You see, it is a young board; it was not really endowed until 1905.

I hope I have answered, Mr. Chairman.

Chairman WALSH. I think that covers it. Doctor, do you feel entirely free to criticize publicly the report of the General Education Board?

Dr. ELIOT. The published reports?

Chairman WALSH. Yes.

Dr. ELIOT. Perfectly.

Chairman WALSH. Did you see the report of 1902 to 1914 before it was published?

Dr. ELIOT. I did not.

Chairman WALSH. When did you first see the report, please?

Dr. ELIOT. I think it was about a fortnight ago; about 10 days ago.

Chairman WALSH. And when was it published?

Dr. ELIOT. I am not quite sure. I don't know the date when it was published. It was printed when I saw it—fully printed and bound.

Chairman WALSH. When was your attention first called to the fact that there was to be a report?

Dr. ELIOT. I think it was three years ago.

Chairman WALSH. Three years ago?

Dr. ELIOT. I should think so. The General Education Board discussed the matter of annual reports and expressed a desire to have the officers prepare an annual report; and the first one would necessarily go back to the beginning, which covers several years. I think that was three years ago.

Chairman WALSH. Was there formal action taken at the meeting of the board, Doctor, with respect to this subject of issuing annual reports?

Dr. ELIOT. Not, I should think, three years ago. I think that was informal.

Chairman WALSH. That was informal?

Dr. ELIOT. But there has been formal action taken. I think it was a year ago, or perhaps last May; I don't remember; but there was formal action taken.

Chairman WALSH. This was the first formal report, was it, that was issued by the board of education—the General Board?

Dr. ELIOT. No.

Chairman WALSH. This 1902 to 1914?

Dr. ELIOT. No; not the first report issued; certainly not.

Chairman WALSH. What other reports were issued, please?

Dr. ELIOT. The charter requires that an annual report should be presented to one of the commissioners at Washington. I don't remember the precise official to whom that report is to be presented, but the charter requires that.

Chairman WALSH. And had there been annual reports issued each year in conformity with the charter?

Dr. ELIOT. In conformity with the charter always.

Chairman WALSH. Do those reports in full or epitomized appear in this publication—this report of 1902 to 1914; this book which has been published?

Dr. ELIOT. They can not have the same order, of course, as this report, covering 12 years; but the annual report made to the Government official at Washington covers the whole proceedings of the board—not in detail, of course, but covers the whole financial account of the board and its general doings. But that is a charter requisition and did not proceed from the board at all.

Chairman WALSH. Has the General Education Board recently undertaken a survey of the schools of Maryland?

Dr. ELIOT. It has not undertaken the investigation as yet, but it has made preliminary—taken preliminary steps toward doing it.

Chairman WALSH. Upon what request is that being done, Doctor, if there is any request?

Dr. ELIOT. There was a request from persons representing the State, but I don't know who they were.

Chairman WALSH. Was there a State commission on education appointed in the State of Maryland which made that request?

Dr. ELIOT. Was there not one?

Chairman WALSH. Yes. Didn't the request come from the State commission on education of Maryland?

Dr. ELIOT. I don't know; I don't remember that I heard from whom it came.

Chairman WALSH. Was the State of Maryland to pay a part of the expenses and the General Education Board a part?

Dr. ELIOT. I think that is the arrangement.

Chairman WALSH. Do you know what part the General Education Board is to pay—what proportion, and what proportion is to be borne by the State?

Dr. ELIOT. I do not. I have heard; but I don't remember.

Chairman WALSH. Is this work projected in the State of Maryland any departure from the policy of the General Education Board in the past?

Dr. ELIOT. Hardly to be called a departure; it is perfectly consistent with the policy of the General Education Board in general. But it is a departure in the sense that this is a new undertaking for the General Education Board.

Chairman WALSH. Were you present when the action was decided upon?

Dr. ELIOT. I was.

Chairman WALSH. Will you please state the nature of the study that is to be made and whether or not you have personally gone over the plan of that study and the instructions given to the investigators of the board.

Dr. ELIOT. Certainly not. I should not regard that as my function.

Chairman WALSH. Whose duty would it be to do that?

Dr. ELIOT. The nearest person to it was Dr. Wallace Buttrick, the secretary.

Chairman WALSH. Do you see any essential difference, so far as the power to affect freedom of thought and study is concerned, between the foundation that conducts investigations like the Institute for Medical Research and the foundation that gives money to colleges or other agencies?

Dr. ELIOT. Do I see any difference—

Chairman WALSH. Any essential difference, so far as the power to affect freedom of thought and study is concerned?

Dr. ELIOT. No; I did not see any difference between truth seeking in either case.

Chairman WALSH. Do you think that the same agencies which give the money should conduct the investigations?

Dr. ELIOT. Do you refer to such investigations as the Rockefeller Institution conducts? I do not understand the scope of the question.

Chairman WALSH. I am trying to ask the question in a general way and not trying to apply it to any particular foundation. The question is: Do you think that the same agencies which give away the money should conduct the investigations?

Dr. ELIOT. It seems to me quite impossible that the same agencies that supply the money should conduct the investigation. Such investigations as are conducted by the Rockefeller Institute require the life labor of men expert in the highest degree. And persons or boards who provide the money, for those investigations would be absolutely incompetent to conduct the investigations themselves.

Chairman WALSH. I desire to ask you a few general questions on labor—labor subjects, industrial subjects—Doctor.

Dr. ELIOT. Yes, sir.

Chairman WALSH. What information do you consider that a stockholder or a director should possess concerning labor conditions in the industry in which he is a stockholder or director?

Dr. ELIOT. The more the better I should say. But my observation as a shareholder to a very limited extent is that the shareholder has not any information as a rule, and he gets no information.

Chairman WALSH. In your opinion to what extent are the directors and stockholders of a corporation responsible for labor conditions which exist in the industries in which they hold stock and act as directors?

Dr. ELIOT. Shareholders do not seem to me responsible at all unless their attention is drawn to an existing evil or wrong; unless their attention is forcibly drawn to an existing evil or wrong. Then they may have some responsibility to induce efforts to correct that evil or wrong. In general the shareholders do not seem to me to be capable of giving any intelligent attention to the conditions of labor in the institutions or factories, mines, etc., in which their money is invested.

The directors are more responsible, but the chief responsibility of directors has seemed to me to be the selection of their agents, the immediate manager. It is, I suppose, quite impossible for directors generally to do more than that, and their responsibility is therefore chiefly that, in my view.

I ought to say, however, that I have no experience whatever in business directorates and never was a member of one and am only an outsider as an observer.

Chairman WALSH. Of course those questions are asked you, Doctor, rather from the standpoint of your general studies and your contact with such matters.

Dr. ELIOT. Yes.

Chairman WALSH. In an educational way, of course. According to your standards what would you consider to be proper labor conditions as regards the following points: First, length of working day?

Dr. ELIOT. I have never been able to see there could be any general rule on that subject; the industries differ so, that what is a reasonable day's work in one industry is a wholly unreasonable one in another. And therefore I hope that the community, the American community at least, which values liberty very highly, would be able to avoid uniformity of legislation on that subject. Uniformity is almost invariably, as far as my observation goes, an evil; it is a horrid evil in education, for instance, and therefore I have been inclined to believe we ought not to seek to make a day's work uniform in all our different industries.

Chairman WALSH. What would you consider to be a proper or necessary yearly income for unskilled workmen?

Dr. ELIOT. I suppose that depends entirely on where he lives. The desirable income, the necessary income, in the United States is very different from what it is in Germany; it is very different again from what it is in China.

Chairman WALSH. Well, applying the question specifically to this country.

Dr. ELIOT. Solely to the United States?

Chairman WALSH. Yes.

Dr. ELIOT. I have very little observation of fact on that subject. I once wrote an account of the manner of life of the native people of the island of Mount Desert, and undertook to describe their mode of life, and the money the man of a family needed to earn in cash during the year in order to support suitably well his family. I made a large number of inquiries as to the amount of cash earnings of the men that I knew there. I live in Mount Desert in the summer, and I came to the conclusion that if a man had his house, his cottage, and a garden and a wood lot, those things at that time—this was perhaps 30 years ago—cost very little in Mount Desert, and any young man could get the necessary cost of those equipments in the first four or five years of his coasting and fishing. I came to the conclusion that \$250 in cash earnings was sufficient for the family. I called a family five on the average. This statement of mine, when printed, was criticized in two ways: The richest family in the community which I was describing complained that I had put this cash receipt much too low. And finally the daughter of the house alleged, "We spend much more than that in the year. We have got a house and garden and wood lot, and we need more than \$250 a year." I pointed out, in the first place, that she belonged to the richest family on the island, with the exception of two or three at Bar Harbor. The community in which I lived is 10 miles from Bar Harbor. She acknowledged that. I then asked her how much her family needed in cash earnings, of the husband and father. She said: "Why, we sometimes spend as much as \$400." That was a very intelligent family and best to do in that

part of the island. On the other hand, the town treasurer, one of the most admirable citizens I have ever known, serving his town as town treasurer for over 30 years, told me: "Mr. Elliot, you have made a bad mistake in that account you have given of our people; \$250 is altogether too high. They do not get it. And first nobody lives in this town that is cold or hungry in winter." That is just one town, a very desirable town, and the occupations of the people are desirable; that is, they are out-of-door men, on the water and in the woods—out-of-door occupations. I have never been able to make up my mind what the proper answer to the question you have asked, sir, is. I do not know what the minimum sum of earnings of husband and father is. I suppose it would be different in different parts of the country.

Chairman WALSH. We will take, for illustration, the city of Boston. What would you say as to that?

Dr. ELIOT. I do not know. I can not say because I have not the facts, and I have never seen any presentation of the facts in that matter which satisfied me.

For instance, I have never been able to make up my mind what the proper or desirable spending of a family of five for food is. I have always been very much interested in public-health questions, and I am afraid that the diet of the ordinary American working family costs a great deal more than it should, and is not the best diet from a health point of view. I am quite sure of that latter point. I believe that all of us in all walks of life eat a great deal too much and particularly a great deal too much meat, and therefore all elements of the necessary cost of food for a family of laboring men seem to be questionable, or that I have ever seen.

Chairman WALSH. What observation or study, or what access have you had, to information which indicates to you the amount of meat that is used by the families of workmen here in the city of New York, or in the city of Boston, or the workers in the steel industry in the vicinity of Pittsburgh?

Dr. ELIOT. I have only had the facts presented in such reports as the survey of Pittsburgh, for instance, in the reports of the boards of health and of institutions where a diet is prescribed—the usual source of information on this point, but no opportunities of observing.

Chairman WALSH. Have you observed—you have observed of course, Doctor, the modern trend of taking care of persons who meet with accidents in industries, as evidenced by what are called workmen's compensation acts, I believe.

Dr. ELIOT. Yes.

Chairman WALSH. According to your opinion, what do you believe the proper compensation for industrial accidents, beginning, say, with the loss of an arm, the loss of both eyes, the loss of life, or permanent disability?

Dr. ELIOT. What amount should be paid?

Chairman WALSH. Yes; what amount approximately should be paid for those things, considering the modern standards of living?

Dr. ELIOT. I do not feel competent to answer that. I am not familiar with life insurance statistics or with accident insurance really. I have rejoiced very much in the institution of accident insurance, but I think the Germans have gotten very much ahead of us in that respect.

Chairman WALSH. Briefly and generally, in what particular, Doctor, have the Germans advanced further than we have?

Dr. ELIOT. They seem to me to have started first, to begin with, and in the next place their arrangement for the division of the cost of things is a just one and sound in all respects—good business as well as good humanity.

Chairman WALSH. According to your standards, Doctor, what would you consider to be the age and conditions under which children should be employed in industry?

Dr. ELIOT. My standards in that respect relate altogether to health, the question of the health of children. I think it is a great misfortune for a child not to take part in the earning of the living of the family, so to speak, and in the household work and in the farm work. That, from my point of view, as a teacher, as an educator, is the great difficulty that the urban communities suffer from, the great difficulty in education I mean. The child on a farm has a chance to work in that healthy way in the helping of the family. A city child, with the factory system in the city, has no such chance. My belief is that children should never be employed in any machine industry indoors—should never be employed in a machine industry indoors.

Chairman WALSH. When you say "children," Doctor, what age limit do you fix, or is there any difference as to sexes?

Dr. ELIOT. I believe the school age—the age of compulsory going to school, which is usually in this country 14 years, is a pretty sound basis, scientific basis, but personally I should desire that that limit be raised for all factory industries. I believe 16 is as low a limit of age as should be used in factory industry.

Chairman WALSH. What is your attitude, Doctor, toward the organization of employees into labor unions for the alleged protection of themselves and for the advancement of their interests?

Dr. ELIOT. I am of course very much in favor of that; I believe in the organization of labor.

Chairman WALSH. And upon what information or experience is your attitude based?

Dr. ELIOT. I suppose it is very probably based upon my considerable observation of the value in all higher professions of organization; in all the higher professions there is organization. I do not mean like unions, but they are organized, all the higher professions in which men work and enjoy their profession and its prospects, they have organizations for promoting those interests; and the trades and various labors in which men have common interests—it has always seemed to me they should be similarly organized.

Chairman WALSH. What features of present-day labor union organization activities would you consider to be socially undesirable as you have observed their creation and development?

Dr. ELIOT. Certain policies of the unions have long seemed to me to be very undesirable, not only for the community but for their own members; and my theory has been that the greatest injury done to the community through the members of the unions were in these respects: The closed shop, the boycott, union label, limited output. I think those are the four I have believed to be policies of the unions which were seriously injurious to the community, and more injurious still to the members of the unions.

Chairman WALSH. As a result of your observation and experience, Doctor, do you believe that industrial discontent in America is increasing or decreasing?

Dr. ELIOT. I have seen neither one nor the other lately. I do not know whether during the last five years the unrest has been increasing or decreasing, but before that time it seemed to me it was increasing. Conditions have been very extraordinary of late, and I really do not know whether it has been going up or down, the general unrest.

Chairman WALSH. Up until what time did you say it was increasing, Doctor?

Dr. ELIOT. About four years ago, I think it was; up to that time I felt it had been increasing, and since that I have been doubtful; I do not know.

Chairman WALSH. You have been doubtful as to whether or not it was increasing?

Dr. ELIOT. Yes.

Chairman WALSH. What forces have been at work during the past five years that you think would make for an increase or decrease in industrial discontent—what forces or agencies?

Dr. ELIOT. The force which seems to me to perhaps have diminished the industrial discontent—I do not speak with confidence about this—is that I think I have seen a very considerable change in the disposition of employers toward their employees during the last few years.

Chairman WALSH. In what way, please, has that been experienced, Doctor?

Dr. ELIOT. In the first place, I think there is much more disposition than there used to be toward what is called in our days "cooperative management"—giving a share in the management to the employees, and an effective share. That is the first tendency I have seen among employers. And another is, and I have known of this because I have studied the subject—I know that many experiments are going on in profit sharing in large variety, and I think that has affected the industrial discontent; it is only beginning to.

Chairman WALSH. Do you believe, Doctor, that the fact, if it be a fact, that a large foundation like the Rockefeller Foundation is making a survey of industrial conditions, the relations between capital and labor in the United States, and the fact that upon the board of trustees of the foundation are a number of persons who are also the directors in industries in which very serious labor disputes and conflicts are going on, might be a matter of irritation to a vast number of the workers in those industries, and thus bring about further discontent upon the part of the laborers?

## 7972 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

Dr. ELIOT. This refers, of course, to the investigation which is proposed by the Rockefeller Foundation?

Chairman WALSH. Yes; I have that one particularly in mind in asking the question.

Dr. ELIOT. I had something to do—I had a good deal to do with approving that particular investigation into industrial conditions, and therefore I am not entirely impartial in answering this question.

Chairman WALSH. We might get your viewpoint. Dr. Elliot, which you indicate very clearly.

Dr. ELIOT. I believe that an honest investigation of industrial conditions by the Rockefeller Foundation can shed much light on the existing causes of industrial unrest, and that it is reasonable to hope that it will also find means of diminishing the source of discontent, the source of friction between capital and labor, so that I see no reason for apprehension with regard to this particular investigation by the Rockefeller Foundation, but, on the contrary, I see good hope in it.

Chairman WALSH. But while it is going on, conceding for the sake of this question that the conditions I have mentioned about the same individuals being on the boards of trustees, my question was, do you not think while it was going on it might be a source of irritation to the laborers involved and directly connected in these labor troubles?

Dr. ELIOT. I do not see any good reason why it should.

Chairman WALSH. My attention has been called to the fact that the Rockefeller Foundation holds 500 bonds of the American Agricultural & Chemical Co., with a plant at Roosevelt, N. J., where this unfortunate occurrence has just taken place. Do you believe that the foundation, as a foundation, has any special obligation, because of its benevolent purpose, to look into the conditions of labor in the particular industry that this investment represents?

Dr. ELIOT. I see no obligation on the part of the Rockefeller Foundation, as a charitable and educational endowment, to take part in that investigation of that particular disaster.

Chairman WALSH. Does the fact, if it be a fact, that a member of the foundation board is also a director of the corporation of the American Agricultural & Chemical Co. in any way affect the foundation's freedom of action in its work in the industrial field?

Dr. ELIOT. Not in the least.

Chairman WALSH. You think that if a member of the foundation was a director in a company where there was a dispute going on in which lives were lost and an effort was being made to fix responsibility, that in the field of industrial investigation generally that director would not be hampered in any way?

Dr. ELIOT. He ought not to be hampered as a member of the Rockefeller Foundation in any way. His function as a member of the Rockefeller Foundation is totally distinct from his function as a director in this or that commercial or industrial concern.

Chairman WALSH. Commissioner Lennon would like to ask a question or two.

Commissioner LENNON. Doctor, you have mentioned the fact that when Harvard applied for a donation from Mr. Rockefeller, sr., Mr. Starr J. Murphy came and made an investigation as to the necessary funds required to make the buildings effective and carry on the work. Now, where such requests have been made by other colleges, by smaller colleges, have you ever known an investigation to be made as to the methods of teaching and the principles that are taught and the giving of money made dependent upon a change in policy in those directions?

Dr. ELIOT. Never. I never heard the suggestion of such a thing. I may add perhaps that when the General Education Board makes an award to a college or university, and it makes such awards to hundreds, it gives the money outright to the corporation aided, or body of trustees aided, and keeps no control whatever over the expenditure of the money, unless, indeed, there is some condition that the money should be used for a building; but it has no control whatever over the subsequent expenditure of the money.

Commissioner LENNON. And seeks to exercise no influence as to what shall be taught?

Dr. ELIOT. I could not say quite that, because there is a general condition imposed which goes with all gifts made by the Rockefeller General Education Board to institutions of learning.

Commissioner LENNON. What is that condition?

Dr. ELIOT. The condition is no part of the money shall be used for what is ordinarily called "theological education." The attitude of the board has been from the beginning that it did not wish to contribute to any instruction which could possibly be called sectarian, and therefore this universal condition is attached to their gifts.

Commissioner LENNON. That is the principal condition, or only one?

Dr. ELIOT. It is the only one; only one which I have ever heard of.

Commissioner LENNON. In reply to a question—I can not repeat the question, but I think I have your reply—you said that in advance of meetings of the education board that you were furnished with an outline of the work that was to be performed at that meeting?

Dr. ELIOT. Docket; yes.

Commissioner LENNON. Yes; a docket. Who gets up that docket?

Dr. ELIOT. I suppose it would be got up by the secretary, Dr. Buttrick, and his two assistants. He has two assistant secretaries. I suppose it to be; it is always signed by him.

Commissioner LENNON. Now, at a meeting of the board can you originate legislation that does not appear on the docket?

Dr. ELIOT. Any member can. The matter may have to be laid over to the next meeting, but any member can bring in any proposal at any meeting.

Commissioner LENNON. Regarding the matter of organization, you expressed your approval, that as the higher professions, as you were pleased to call them, were organized that the right should extend to labor—the same right to organize in a general way. You objected, however, to what is known by the world at large as the closed shop. Doesn't that principle prevail in the professional organizations? Will the physicians in practice in the allopathic school admit homeopaths, or eclectics, or other schools? Will they practice with them?

Dr. ELIOT. The admission to the profession is regulated by public law, as a rule, in our country. In Massachusetts there is—all the schools of medicine are equally admissible to the practice of a profession. They have in Massachusetts an ancient society more than 100 years old called the Massachusetts Medical Society; and practitioners of the different schools are also admitted to that organization.

Commissioner LENNON. Have you ever noticed any evidence of physicians of different schools by their organization trying to obtain exclusive control of city and State and municipal charities that had to do with public health?

Dr. ELIOT. I have noticed such things.

Commissioner LENNON. Have you noticed the same thing as regards the organization of the bar associations?

Dr. ELIOT. The bar associations generally admit with great freedom persons whose standard of education satisfies them. They also exercise the power of dismissal, and turn people out of the bar association. That is, however, a power exercised very seldom and with a great deal of care. I suppose it to be necessary for the protection of the profession against incompetent or unjust persons.

Commissioner LENNON. In other words, they exercise their right of judgment as to the best methods of protecting their organization?

Dr. ELIOT. They do. But yet they never undertake to prevent any private person from employing whomever he wishes to employ. A lawyer, for instance, dismissed by the action of a State bar association may be employed the next day by any private person who wishes to do so.

Commissioner LENNON. Can he be employed before the court in trying cases if he has been disbarred?

Dr. ELIOT. That varies in different States, I think. In some States he can not be employed before the court, but he can be employed for all chamber work, as it is called.

Commissioner LENNON. Well, in so far as these principles may be exercised without the violation of law have not the labor organizations an equal right with the professional organizations to exercise them?

Dr. ELIOT. So far as their own members are concerned, they have equal right, of course; but what I object to in general in regard to the closed shop is that they undertake to prevent the employment of men not members of their profession.

Commissioner LENNON. Well doesn't the medical fraternity undertake to prevent men or women from practicing medicine who had not met the standards in their organization?



## 7974 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

Dr. ELIOT. That is done by State law always.

Commissioner LENNON. Yes; but who promotes the law; is it not the physicians' organization?

Dr. ELIOT. Yes; backed by all persons interested in education and in the competency of men who have public responsibilities.

Commissioner LENNON. That is all, Mr. Chairman.

Chairman WALSH. Mrs. Harriman would like to ask you a question or two, Doctor.

Commissioner HARRIMAN. Dr. Eliot, are you familiar with the industrial arbitration council—of course, not compulsory as to arbitration—in England in labor disputes?

Dr. ELIOT. No.

Commissioner HARRIMAN. Well, there is such a council there.

Dr. ELIOT. I think so.

Commissioner HARRIMAN. Would you think it would work well if the same were applied to this country—the same idea?

Dr. ELIOT. I really do not know enough about the method of work of that council to say whether it would work well in this country or not. Many things do work well in Europe which it is very difficult to transplant, and that may be one of them. I am not well enough acquainted with what that council really does to answer your question. I am sorry—

Commissioner HARRIMAN. May I put it another way? Would you think that arbitration and mediation—I mean again not, of course, compulsory arbitration—would work well over here?

Dr. ELIOT. So far as I have had the opportunity to observe the arbitration method in this country it has seemed to me to be a failure. I have not seen good results from the arbitration methods, because it generally results in a compromise which satisfies neither party. With regard to conciliation I have seen good results in the way of truce, and truce in the fight is often of very great value; but I have not seen results from conciliation toward permanent peace. There is a very great difference between the result desirable from the point of view of truce and the result desirable from the point of view of permanent peace. And so far as I have been able to learn, the conciliation methods in this country have not, as a fact, led toward permanent peace. I used to be a member of the executive committee of the civic federation, and I withdrew from it because the conciliation employed by that organization did not seem to me to tend toward industrial peace.

Commissioner HARRIMAN. Have you any suggestions to make as to bringing about permanent industrial peace—what methods might be used?

Dr. ELIOT. The first method that seems to me to go that way is a constant and perfect publicity—a knowledge in both parties to a strike of what is going on and what has been done; and the great enemy to peace is secrecy, and that is true in international war and in what precedes international war, in my view.

Now, after publicity, any effort to offer to the workingmen precisely the same motive for doing a good day's work that the employer or manager feels tends toward permanent peace. The two parties must feel the pressure of the same motive—that is, the welfare of the family, the profits to the individual, something in the way of a prospect of receipts or income in addition to wages. It has not seemed to me that we could get permanent peace on a basis of mere or plain wages. The human desire for a profit and for a new advantage ought to be brought into the industrial situation.

Commissioner HARRIMAN. Does that mean that you would approve of a profit-sharing plan?

Dr. ELIOT. Yes.

Commissioner HARRIMAN. Such as the steel company?

Dr. ELIOT. I like very much all profit-sharing plans as tending to real industrial peace, but I am confident that there is no one profit-sharing plan which will work in all the different industries. Profit-sharing plans have got to be adapted to a particular industry in which they are employed, and there must be great variety, and they must always be associated with cooperative management, if they are to work. Of course, we all know that many profit-sharing schemes have been tried and have failed. So that there is a great study to be done in all industries to bring in cooperative management and profit sharing.

Commissioner HARRIMAN. How do you feel about industrial democracy—labor having a vote in the management of the industry or the corporation?

Dr. ELIOT. Acting as representative?

Commissioner HARRIMAN. On the board.

Dr. ELIOT. Labor into the board of directors? I see no harm in that at all. I dare say it would do good. But the composition of directorates seems to me to be a very great problem in general.

Now, what we want in directorates are experts in management. We want the men of genius for the industrial organization. We are not getting them under the present arrangements, and I am afraid we should not get them if we undertake to make directorates representing capital on the one hand and labor on the other in equal proportions, say. But then we are now speaking of one of the great problems in modern industries—the right of organization of directorates.

I suppose we all agree we have not proceeded with that problem thus far. And that, I may say, is the case with regard to boards of trustees generally. It is a great problem of institutions of education to get competent, devoted boards of trustees—I mean for religious, charitable, and educational institutions. It is not a wonder that it is difficult to get good directorates in industrial corporations, because it is very difficult to get them in institutions and boards which are not carrying on operations for profit.

Commissioner HARRIMAN. Have you any suggestions, Doctor, how that might be improved—the present method?

Dr. ELIOT. It seems to me that we have seen a good deal of improvement in the last 15 years. And that improvement resulted from, I suppose, fair to say, the life insurance investigation in this State and city. And we must hope that all inquiries like this which this commission is carrying on can bring something to pass in the way of the improvement of directorates. But it will not be an easy problem to solve. I ought perhaps to say that I have been for many years associated with a directorate for Harvard University, a body of seven men, created by charter from the English Government in 1650. Now, that directorate has never been altered in composition. It has always been seven men, of whom the president and treasurer were two, and none of them were paid ever, except the president and treasurer, and they not as members of that board.

Now, the personal composition of that board has been extraordinarily well made up ever since 1650. But it has been a result, I think, of a somewhat public opinion in Massachusetts as to how such boards should be composed—the public opinion which was sound at the beginning and remains sound to-day. And I really believe that it is public opinion that has got in the last issue to be relied on for the improvement of commercial industrial directorates. We shall get as good boards as public opinion, intelligent public opinion, will call for. And I suppose that this commission could render a great service by contributing to the formation of an intelligent public opinion upon that point, on that method.

Commissioner HARRIMAN. Just one other question. Dr. Eliot, do you think if organized labor would eliminate the four policies which you have mentioned, which you regard as evils—the closed shop, the boycott, union label, limited output—that it could command attention on the part of unreasonable employers?

Dr. ELIOT. Command attention? Yes; I should suppose; but whether the labor union would actually effect on the object for the promotion of higher wages, for example, of shortening hours, as effectively if they abandoned their present instruments of warfare I should doubt. The conditions of things at the present time is a warfare, and the effective instruments of that warfare for the unions are those conditions that I have mentioned. But it seems to me that we do not sufficiently recognize the fact that these four instrumentalities are instruments of war. I meet a good many people who do not understand, for instance, that the boycott is a fight—a warfare. And its effects are often very destructive. I meet a great many people who do not understand at all that the union label is an instrument of warfare, and who know it. Now, the unions have been carrying on a warfare for a hundred years, and certainly that was a very justifiable warfare for many, many years. What we are looking for now is the means of finding a way out of that warfare, at least that is what I look for, and I have no doubt all members of this commission.

Commissioner HARRIMAN. Thank you.

Chairman WALSH. Commissioner O'Connell says he would like to ask you a few questions, Doctor.

Commissioner O'CONNELL. Doctor, in addition to the four matters you say that labor should eliminate, do you justify the strike of the organization?

Dr. ELIOT. Do I justify that?

Commissioner O'CONNELL. The strikes; yes.

Dr. ELIOT. Yes; if there is no other way.

Commissioner O'CONNELL. What is the difference between the strike and the boycott or the label?

Dr. ELIOT. The strike is essentially nothing but a statement that "We, the employees of this factory, will not work any longer on the present condition. We have been refused an improvement of conditions. We say we will not work any longer on the present condition without improvement." Now, that is everybody's right, every freeman's right. The boycott says, "We will kill your business"—a merchant having nothing to do with the factory in which the unions are employed—"we will kill your business because you buy goods that are made free of union rules." Now, that is an attack on another man by the union. In my opinion it is an unwarranted attack, and therefore I feel that the unions ought never to use that weapon.

Commissioner O'CONNELL. Suppose the union orders a strike because the employer won't use the label; suppose they say to them, "We won't use the label," and they say, "We won't work for you; we will strike"; is that strike justifiable?

Dr. ELIOT. I am afraid I do not understand the question.

Commissioner O'CONNELL. You say you justify the strike; that they have a right to strike. Supposing that strike is to compel the employer to use the label, which you say is one of the things that they should not have.

Dr. ELIOT. To compel the employer to?

Commissioner O'CONNELL. To use their label.

Dr. ELIOT. Yes.

Commissioner O'CONNELL. On his product.

Dr. ELIOT. They do not strike. They boycott; if they strike because they are not willing to work themselves under existing conditions, they are within their rights. If they strike because they wish to compel the employer not to use any label—the union label—except the union label, they are without their rights, in my view.

Commissioner O'CONNELL. Of course, if that is a strike to compel the employer to use the label, naturally it goes that they must employ the union label?

Dr. ELIOT. What I mean, should that justify the strike?

Commissioner O'CONNELL. No matter what the cause. You say make four propositions which you believe labor should eliminate?

Dr. ELIOT. Yes.

Commissioner O'CONNELL. But we differ; of course, that is not conceded by some?

Dr. ELIOT. Yes.

Commissioner O'CONNELL. Let me say, in those four, is not there included the strike, hence the strike, I take it from you, is not justifiable, you concede their right to do it regardless of what the cause may be?

Dr. ELIOT. Yes.

Commissioner O'CONNELL. They may strike for just the four things or some of them which you say they should not have?

Dr. ELIOT. Then I believe the strike to be unjustifiable.

Commissioner O'CONNELL. Then in some circumstances you think the strike ought to be added to the four you have named?

Dr. ELIOT. I should not like to add that, because under some circumstances the strike is justifiable, in my view.

Commissioner O'CONNELL. There is only one thing—

Dr. ELIOT. The other four are never justifiable.

Commissioner O'CONNELL. There is only one thing after the four which you have mentioned to add to the organization, as I see it, and that will be to the one "strike," and then there would be nothing for them to organize for; an organization would mean nothing.

Dr. ELIOT. Therefore I should not advise you to add strike. I would not add or advise you to put strike in the list.

Commissioner O'CONNELL. Behind it all, all the other things, is the word "strike" or not?

Dr. ELIOT. Is what?

Commissioner O'CONNELL. Strike. Is not the fact that the organizations do strike—is not that the cause behind it all why the employers, at least a great proportion of them, would not concede to deal with labor as organized labor? Does not that contain in it the closed shop, the boycott, the label, and all those other things of which we hear complaint?

Dr. ELIOT. It has not seemed to be so. On the contrary, I should say it distinctly did not belong in the list with the boycott and limited output and does

not belong there, because there is a legitimate right to strike in the sense that "We refuse to work for you under present conditions." There is the rightful thing. The other four are wrongful things.

Commissioner O'CONNELL. Ethically the right to strike, Doctor, in your four propositions does not boycott—a certain employer is manufacturing a certain article, and he has trouble with his employees because he pays too small wages, or he works the people too many hours per day, or he works them under insanitary conditions, or a dozen and one things which the men think wrong. They strike. And he sends the work across the street to some other manufacturer to produce for him, and the employees over there refuse to work on that work and strike, too. That is a so-called secondary boycott. Do you think that strike is unjustifiable?

Dr. ELIOT. Utterly.

Commissioner O'CONNELL. Utterly unjustifiable, regardless of the conditions for which the other men struck?

Dr. ELIOT. Yes. The justifiable strike is, in my thinking, when men or women say, "We will no longer work for you under those conditions." The strike for the purpose of a boycott, to enforce the boycott, does not come under that description. It is for another purpose altogether. It is to promote an attack on somebody else.

Commissioner O'CONNELL. The men across the street have not the same right to strike to force the conditions which the men are striking for on the opposite side of the street, to aid in compelling the introduction of what they would consider such reasonable and sane conditions of employment for their fellow employees, fellow members of the organization?

Dr. ELIOT. I think not. It is a sympathetic strike you refer to, I suppose.

Commissioner O'CONNELL. So-called; yes. I do not see anything sympathetic about it, the men in the same organization, of the same family, of the same union, strike simply when in order to force the employer across the street to recognize the conditions which the men are striking for, which are the very worst that can be imaginable.

Now, if they have not that right, then should not the word "strike" be added to your four propositions?

Dr. ELIOT. Not by me, because I believe there is a justifiable strike and there is an unjustifiable strike.

Commissioner O'CONNELL. Would you give a justifiable strike?

Dr. ELIOT. Just that employees request of their employer an increase of wages or shortening of hours or improvement of the sanitary conditions, and the employer refuses. The employees say, "We will go out."

Commissioner O'CONNELL. Then no one can, under that case they would not have the right, ethically or otherwise, to ask the cooperation or assistance of their fellow workers in the battle, the battle would be absolutely between them and their employer, absolutely?

Dr. ELIOT. Not necessarily; not necessarily.

Commissioner O'CONNELL. To where would it go?

Dr. ELIOT. It must not go to the boycott.

Commissioner O'CONNELL. Who will step in and adjust it, force an adjustment?

Dr. ELIOT. You call boycotting a means of enforcement, means of compelling the employer, and you make the strike a part of it. That is to say, as far as I understand you, you believe that the strike should be used as a force to compel the employer to obey the unions. Is not that it?

Commissioner O'CONNELL. I am trying to get that point: Is it not in effect saying, "I won't buy your article," saying to somebody else, "You must not buy that article—I am not going to manufacture your article, the members of our organization, regardless of where they may be employed, are not going to manufacture it, and a strike at one place; we are against you all through the whole proposition"; would you say that is right?

Dr. ELIOT. I think not.

Commissioner O'CONNELL. Then do you not consider the word "strike" ought to be added to the four propositions?

Dr. ELIOT. No; because there is a justifiable strike which does not go to that length as a fighting force.

Commissioner O'CONNELL. What power or influence does the strike become, then, if a man can not appeal, if the organization can not appeal to its sister organizations and ask for service; to come and render you service to the other organizations it is in violation of the principle.

Dr. ELIOT. The strike which I regard as justifiable is not helpless necessarily by no means. It appeals to public opinion strongly. It may appeal very strongly to public convenience. It is not the useless act, the hopeless act. It has force in itself. It may very well have the force behind it of justice and expediency. The strike does not, it seems to me, which I claim to be a right, does not seem to me to require the additional use of the boycott and label, and so forth, which are other means of compelling other people to do your will, which are elements in the general industrial strike, which, I think, ought to be eliminated by an intelligent people from the present industrial conditions.

Commissioner O'CONNELL. I will not argue with you, Doctor. But let me see if I can not bring a concrete case. I am not mentioning the name of the firm for any reason, but it just comes to my mind. Take the United States Steel Corporation, it has an immense number of plants scattered all over our country. The men go on strike at the Pittsburgh plant against a reduction of wages. They do not pretend to reduce the wages any place else, but just at Pittsburgh. The men go on a strike against that reduction. The firm proceeds to have its work done at South Chicago, or Milwaukee, or wherever there are other plants located. Now, the men in the other plants say, "We will not work on this material, we will not manufacture this article, because our brothers are on strike at the Pittsburgh plant." Would that be a justifiable strike if they went on strike also?

Dr. ELIOT. Not to my thinking.

Commissioner O'CONNELL. Then, all the steel company would have to do would be to keep up the fight with that little portion of their firm or concern or manufacturing plant at Pittsburgh, while they could move the work around to the other plants and starve the men out at Pittsburgh?

Dr. ELIOT. Yes.

Commissioner O'CONNELL. That would be justifiable?

Dr. ELIOT. Yes.

Commissioner O'CONNELL. That is all.

Chairman WALSH. Commissioner Ballard says he would like to ask you some questions.

Commissioner BALLARD. Doctor, there has come up a number of times—I think, this morning—in the questions of Commissioner Lennon, perhaps, a confusion between the rights of workmen to require that their labor unions should have the entire right to work in a certain way, and also the association of the professions, such as doctors and lawyers. Let me see if I have in my mind correctly the thought. From what you stated in regard to colleges, when young men are graduated they take an examination, perhaps, before the State board for their admission to the bar or admission to practice in the professions. They may or may not join these associations of the bar or of the medical profession. Whether they do or do not, they are allowed to practice in that State wherever they have taken out their proper license. Now, is that different at all, for instance, from, we will say, a stationary engineer? The law of the State might say that no man could run a stationary engine unless he had two years' experience, and after that he should apply to the State and get a license. As I understand it, the labor union might say no man in the State shall run a stationary engine unless he also has a card in the stationary engineers' union. Would you consider that an analogous case, where the medical or the legal profession have their associations?

Dr. ELIOT. No; I do not.

Commissioner BALLARD. You approve of the one and not of the other, then?

Dr. ELIOT. Yes.

Commissioner BALLARD. That is all.

Chairman WALSH. Commissioner Garretson says he has a question he would like to ask.

Commissioner GARRETSON. Doctor, you have stated you believe in the organization of men. You have criticized some features of labor organizations. I should be glad to have an expression from you on one point, if you feel free to give it. That is, the officer of a labor union is charged with an offense—we will say it is ethical and immoral—accepting of a bribe or either embarrassing an employer or of embarrassing the rival of an employer. I suppose that you would hold that an utterly improper practice on his part?

Dr. ELIOT. Yes.

Commissioner GARRETSON. Now, would you hold the union which he represented responsible if, on proof of the fact, they failed to discipline him? Would

you hold by that that they assumed a responsibility for his act or gave tacit approval to that line of conduct?

Dr. ELIOT. I think they assume a moral responsibility. I do not know whether they assume a legal responsibility or not.

Commissioner GARRETSON. Well, moral responsibility.

Dr. ELIOT. I am not a lawyer.

Commissioner GARRETSON. Then, as stockholders in that union, they are responsible morally for the acts of their executives, unless they apply the remedy?

Dr. ELIOT. For instance, if they reelect a man who has been convicted of a crime, that sort of thing—

Commissioner GARRETSON. They accept responsibility, then, for his former acts?

Dr. ELIOT. They seem to me to.

Commissioner GARRETSON. You do not believe in a double standard of ethics for two sets of men?

Dr. ELIOT. No; not at all.

Commissioner GARRETSON. How can the Rockefeller Foundation, as a holder—it being an artificial person under the laws of New York, and the holder of a large amount of bonds of the institution at Roosevelt—evade that same moral responsibility for the acts of its executives?

Dr. ELIOT. The trustees, the directors of the Rockefeller Foundation, have nothing whatever to do with the acts of that particular commercial company which led to a great wrong and investors. They have no connection with it whatever.

Commissioner GARRETSON. Except that they own the stock?

Dr. ELIOT. The stock or bonds.

Commissioner GARRETSON. I am using stock, not bonds.

Dr. ELIOT. Stock; yes. They have no connection. As stockholders they have no control over the action of the real management of the company, where the difficulty occurs.

Commissioner GARRETSON. What control has the member of the labor union over its officers, except as stockholders?

Dr. ELIOT. As I understand it, the members of a labor union vote for their officers.

Commissioner GARRETSON. They do.

Dr. ELIOT. When they vote for officers who have been convicted of crime, they take a serious moral responsibility.

Commissioner GARRETSON. How about those stockholders in any corporation who vote for an officer who has been convicted of a crime, or give their proxies to a man they know will vote?

Dr. ELIOT. They will bring upon them an equal moral responsibility if they know what they are doing.

Commissioner GARRETSON. Then there is exactly the same responsibility between the stockholder in one and a stockholder in the other, the same moral responsibility?

Dr. ELIOT. Not necessarily. I think your statement covers too much ground altogether. You say the "same" responsibility. It is different.

Commissioner GARRETSON. How can it be otherwise unless a proper qualification is attached to moral responsibility?

Dr. ELIOT. I do not think I see the bearing of that question.

Commissioner GARRETSON. In other words, the stockholder in a million-dollar corporation, can he evade any moral responsibility that the stockholder in a labor union, that has no assets except what those individual stockholders pay in as dues—can one evade the moral responsibility that the other can not?

Dr. ELIOT. Still I do not see what analogy there is between the two cases.

Commissioner GARRETSON. I do not care to press the question.

Chairman WALSH. Dr. Commons would like to ask some questions.

Commissioner COMMONS. You spoke of moral responsibility?

Dr. ELIOT. Yes.

Commissioner COMMONS. Do you think that unions should be made legally responsible in civil damages, we will say, in these cases where there is in any case damage done to employers' property?

Dr. ELIOT. Yes; I do.

Commissioner COMMONS. How would you accomplish legal responsibility?

Dr. ELIOT. I am not enough of a lawyer; I am not a lawyer at all; I should not know just how to accomplish it. One method of accomplishing it has been

suggested, I think, incorporation of unions, in order that the union might be responsible as a person, just as an ordinary corporation is. I do not know whether there would be any other means.

Commissioner COMMONS. But in general you think it should be made legally responsible in civil damages?

Dr. ELIOT. I do; for injuries inflicted by the officers of unions.

Commissioner COMMONS. By the officers of the unions?

Dr. ELIOT. Certainly; just like any other industrial body.

Commissioner COMMONS. Would you extend that responsibility to injury inflicted by a strike?

Dr. ELIOT. Such as destruction of property, for instance?

Commissioner COMMONS. No; just merely a strike as you have defined it.

Dr. ELIOT. No; I should not. If it was—the strike consisted merely in refusing to work for the employer concern.

Commissioner COMMONS. You made a distinction between a justifiable and unjustifiable strike.

Dr. ELIOT. Yes.

Commissioner COMMONS. Would you extend the responsibility to an unjustifiable strike; could that be made legally responsible for an unjustifiable strike?

Dr. ELIOT. If that unjustifiable strike involved injury to other persons?

Commissioner COMMONS. Yes.

Dr. ELIOT. Or property?

Commissioner COMMONS. So that if a justifiable strike involved injury they would not then be held legally responsible in damages, according to your idea of what it should be?

Dr. ELIOT. Not for injury to the employer which resulted simply from refusing to work for him.

Commissioner COMMONS. What would be an unjustifiable strike? Would a strike to oppose a union employee be unjustifiable?

Dr. ELIOT. I think so.

Commissioner COMMONS. And a strike to have a nonunion man discharged would be unjustifiable?

Dr. ELIOT. Certainly; because it interferes with his liberty.

Commissioner COMMONS. What other strikes would be unjustifiable?

Dr. ELIOT. Boycott strikes, I should say.

Commissioner COMMONS. Sympathetic strikes?

Dr. ELIOT. Yes.

Commissioner COMMONS. And you would impose a penalty, a legal responsibility in damages, on the unions for engaging in a sympathetic strike?

Dr. ELIOT. From which damage resulted?

Commissioner COMMONS. From which damage resulted; yes, sir. Would you apply that also to the illustration that Mr. O'Connell mentioned with reference to the Steel Corporation?

Dr. ELIOT. Yes; any strike in support of a boycott.

Commissioner COMMONS. And you would impose civil damages, if damage was proved?

Dr. ELIOT. If damage was proved.

Commissioner COMMONS. You would carry the legal responsibility, then, in such form as would be effective either, by incorporation or otherwise, to all unjustifiable strikes?

Dr. ELIOT. I would. But I would like to say this in general with regard to the tendency of the questions to which I have been lately responding, that I have no faith whatever in law—legal action—as conducing to permanent industrial peace. I do not believe that industrial peace can be arrived at by the present process, and that therefore I am hoping and looking for other measures than those of legal responsibility, for instance, for the bringing on of real peace in our industries. Such discussion as we have been lately having has no great interest for me because I despair of arriving at the desirable conclusion, and the peaceful cooperation of capital and labor by any such process as that which has been going on in this country for the last 25 years, including all the legal contrivances.

Commissioner COMMONS. That is based upon your idea that they are simply war measures?

Dr. ELIOT. These are all war measures, and nothing else.

Commissioner COMMONS. You would penalize the unions for using these war measures?

Dr. ELIOT. War measures—I would penalize the employers just as much if they used war measures.

Commissioner COMMONS. Penalize both sides?

Dr. ELIOT. Yes.

Commissioner COMMONS. Would you apply this same rule to the unjustifiable lockout?

Dr. ELIOT. Oh, yes.

Commissioner COMMONS. If it damaged the members of the union?

Dr. ELIOT. The unjustifiable lockout, I suppose, is damage, I should think.

Commissioner COMMONS. And to the black list?

Dr. ELIOT. The blacklist, I am not clear about. I have not ever seen any effective black list, and I do not know how that works.

Chairman WALSH. Commissioner Ballard overlooked one question he would like to ask you, Doctor.

Commissioner BALLARD. Doctor, I had one other question in mind to ask you. You gave us four things that you thought the union perhaps did that they should not do. That if they would abandon they might relieve some of the friction between the workmen and the employer. Have you thought of, or have you considered in your mind, anything that the employing class in industrial work, the owners of manufacturing plants, could do that they should also eliminate from their present methods to relieve the friction between themselves and their employees?

Dr. ELIOT. Yes; I have some such things in mind very clearly.

Commissioner BALLARD. Would you mind telling us some of them?

Dr. ELIOT. I think they should invariably procure the cooperation of their employees in the management and discipline of the works, whatever the works are. That has not been much practiced until lately.

Commissioner BALLARD. Do it through the groups of men who are elected by the various groups of men in their employ, and meeting with those foremen or those men selected?

Dr. ELIOT. Yes; by the election on the part of the employees in suitable groups of representatives in a committee of management and discipline in which same committee the employers or the managers are represented.

Commissioner BALLARD. Would you let that committee of employees go so far as to request a share of the earnings of the company, a share of the profits in addition to their wages?

Dr. ELIOT. That seems to me to be a separate matter. I am a believer in the profit-sharing question pretty strongly, but that is separate from cooperative management.

Chairman WALSH. Commissioner Weinstock would like to ask a question or two.

Commissioner WEINSTOCK. Among the other things here that this commission are called upon to determine is as to whether the great foundations, such as the Rockefeller Foundation, are a good or bad influence to society. Therefore we are inviting all the opinions, all those opinions we value that we can get.

Yesterday at our hearing Dr. Holmes, pastor of the First Unitarian Church, expressed certain views concerning the question of foundations. For your information I would like to present to you his views and his opinion and to ask in how far you concur with this point of view.

Reading from the record, this appears:

"Q. If you were so fortunate or unfortunate as to be the possessor of \$100,000,000 that you wanted to use for the common good, what would you do?—A. I should consider, sir, that I was confronted by one of the most difficult problems that could confront any man. For the sake of my own individual integrity I should try as best I could to get rid of that \$100,000,000 and my own thought which comes at the moment here, I should want to place it upon the Government, the representative of the people, to assume that great responsibility, as Mr. Roosevelt placed the \$40,000 Nobel prize, not in his own hands or in any private personal concern, but in the hands of the Government. The fact that the Government did not know how, or the Government or its citizens did not respond to that generous and wise gift, does no impugn, it seems to me, the wisdom of what was done.

"Q. You would, then, place the matter entirely out of your own hands and put the \$100,000,000 into the hands of the employees of the Government?—A. I should get rid of it just as quickly as I could. I feel that no man has a right to such a sum of money.



"Q. Would you have any strings tied to that gift of all the people?—A. I should hope not. I should, not believing it to be ethically right to have such a sum of money, want to be rid of that responsibility.

"Q. You would simply take this \$100,000,000 and turn it over to Congress and say, 'Do with it what you consider best'?—A. I should hope—I should suppose I would think the matter over carefully, more carefully than I can at present; but I think that is the thought I should have, and my object would be to get into the hands of the people the money they have produced.

"Q. You mean just put it in the common treasury just to be used for any purpose it wanted, or would you specify?—A. I might think it a matter of wisdom to specify. I do not think I should attach any binding condition, as Mr. Roosevelt did, that this money should be used for any particular industrial benefits, or anything of that kind.

"Q. That is, you would do it without qualification as to the use of the gift?—A. Qualifications of recommendation rather than perhaps insistence or dictation.

"Q. That is, in the nature of suggestions?—A. Yes; in the nature of suggestions as a donor to a college might say, 'I would like to have this used for books or for scholarships or for a library; but if it can be used better, use it as you see fit.'

"Q. Well, if Congress should see fit to take your \$100,000,000 and simply put it into the common treasury, and to use it for operating expenses, within a very brief time that \$100,000,000 would disappear and comparatively little permanent good might flow from it. Would you think that would be wise?—A. Why, it probably would disappear in serving the interests of the people. The fact that it went back into those interests would not in itself, it seems to me, be an ill. I can imagine the Government might well expend it for purposes that I was not at all concerned with, such as the Army and Navy, for example; but if I made the gift under those conditions I should have to take the result.

"Q. But I take it if you had this vast sum of money, if you were burdened with it, that you would naturally want to use it for the most permanent good, so that the largest number of your fellows might be helped, not temporarily, but that it might be used as a means for continuing to aid those who were worthy of being aided?—A. What right, sir, have I to assume that I have any knowledge as to what is the highest permanent good for this country?

"Q. Well, we have a right to assume that you ought to have more than average knowledge as to what is the highest permanent good, because the country has given you the benefit of its better educational resources and assumes, for example, that you are using that intellectual development in the common interests, and therefore you ought to know more than most of us and that money should be expended so that it will result in the best good and to the greatest number. You are an educator, you are an uplifter, and therefore we have a right to expect more from you than from some of the rest of us.—A. I should feel that those advantages, if they exist, sir, should be used for the exertion of the strongest kind of personal influence as a member of the community; but not as to the dictation, to the administration of such boundless, stupendous source of power as is contained in \$100,000,000."

Would you be good enough, Doctor, to tell us in how far you are in agreement with Dr. Holmes's attitude?

DR. ELLIOT. I agree with him in thinking it is a grave responsibility to be the possessor of \$100,000,000, and if I had it I should want to get rid of it; but I do not agree with him, I suppose, so far as I can judge his sentiments from this reading, in thinking that the Government is the strongest agency for administering money which is intended to promote the public welfare. We have seen in Germany a large amount of money used by the Government with the intent to promote the public good, but, although that money was used with immense intelligence, it does not seem to have conducted the German people to a fortunate state of mind. Now, free governments, on the other hand, have long relied, and I think are going to rely, on two different modes of promoting the public welfare; one is by the expenditure of the public welfare of money raised by taxation from private property, and the other is what I may call the corporation method of using large sums of money for the promotion of human welfare. The freer governments have already relied on both these methods, and more and more on the second, and I think that we are likely to do the same. We have done it already with one of the chief means for promoting the public welfare, and that is education. Education in this country has been conducted in a

very important particular—in large measure—by chartered corporations or boards of trustees established under the public law, and I believe that on the whole the promotion of the public welfare through such chartered educational and religious corporations has been more effectively promoted than by the governmental agencies. And I suppose this will be the case in the future as well as in the past; and moreover, I believe that such corporations, in the training of men and the management of such corporations, is a very great reinforcement of free institutions in general, and an extraordinary enforcement of free institutions and public liberty, and therefore I hope for a prolongation of the great service of these corporations, dependent on public law and dependent also in a great many respects on publicity of their actions toward the public. I look for their continuance and a great development of their services, and I seem to differ from my friend, Dr. Holmes, in this expectation.

Commissioner WEINSTOCK. You do not, then, in common with Dr. Holmes, regard great foundations as a menace to society?

Dr. ELIOT. I do not. I have been in the service of such corporations all my life, I may say; and my testimony may not be regarded as impartial. But I have never known a charitable or educational corporation to do anything which threatened the welfare or the liberties of the American people. I have had no observation of any such corporation—of any such attempts. And I have, on the other hand, seen a great deal of the activity and intelligent promotion of the public welfare by such corporations. There is in them, so far as my experience teaches me, not only no menace, but a very great hope for the Republic.

Commissioner WEINSTOCK. Do you know of any wiser or any better or any more effective way that Mr. Rockefeller, for example, could have used his hundred million of dollars than by creating the foundation?

Dr. ELIOT. The Rockefeller Foundation is the largest and freest attempt to do permanent good in the world, not only in this country, but in the world, that I have ever heard of or known anything about—in any country. And in its management it is absolutely free. To use the common expression, there are no strings to it at all, and its purpose seems to be just that which is expressed in its fundamental deed of trust. It is for the benefit of mankind without regard to race, cast, or religion. I have been a member of the board only for about a year. I was not one of the original members, but through all I have seen of it, I should describe it as the most admirable charity that I have ever known anything about. And by "admirable" I mean wise in its objects and effective in its organization.

Commissioner WEINSTOCK. What is your comment on the criticism or the suggestion that has been offered by some that the State should have a voice in the management of a foundation of that character?

Dr. ELIOT. By "a voice" you mean a representation in its board of directors?

Commissioner WEINSTOCK. Yes.

Dr. ELIOT. I have known of several trusts of this general nature in which the State had a voice. For instance, the Massachusetts General Hospital in Boston. That is a very valuable trust and has been of enormous beneficence. Now the management really is in what may be called the hands of private citizens, but the State is represented on the board; and I dare say that that representation has been useful, because the public has felt that it has been represented in the board, and the hospital has worked all over the State, and, indeed, accepts patients from all over New England. But this has been the experience of that particular charity. The State's representatives in the board are never active. They have plenty of good will, but, as a matter of fact, they are not active, and the business of the corporation is done by the other members. Nevertheless that representation in that particular trust may have been useful. Whenever, in my experience, ex-officio members are put into a trust they are liable to be so much occupied with their other duties that they do not get time to attend to the trust in which they are ex-officio members.

Commissioner LENNON. Your opinion, then, Doctor, is that State representation on the board would prove inefficient?

Dr. ELIOT. In that sense that the ex-officio members appointed by the State would not be able to take part, active part, in the work of the charity, the hospital, or whatever it was.

Commissioner WEINSTOCK. Therefore I take it that you would regard it as comparatively of little restraining value?

Dr. ELIOT. Precisely. I do think it has a very moderate influence either in restraining value or in the commanding of public confidence. But, then, it may not be the same in the future as it has been in the past.

Commissioner WEINSTOCK. Taking up the question of the labor problem, Doctor, do you think that organized capital should recognize and deal with organized labor?

Dr. ELIOT. I do recognize it, surely. Deal with it in what sense?

Commissioner WEINSTOCK. Well, establish contractual relations?

Dr. ELIOT. Oh, yes; certainly.

Commissioner WEINSTOCK. You think it should?

Dr. ELIOT. Yes.

Commissioner WEINSTOCK. If you were an employer you would recognize and deal with organized labor?

Dr. ELIOT. Certainly, in the sense of holding communion with them; but I ought to add that I have never been an employer.

Commissioner WEINSTOCK. Should the funds of organized labor be placed within the reach of the law when labor unions become lawbreakers?

Dr. ELIOT. Should they—that is, is it right?

Commissioner WEINSTOCK. Yes; that is, is it right morally and should it be made legally so?

Dr. ELIOT. It seems to me so.

Commissioner WEINSTOCK. To hold the unions responsible for their illegal acts?

Dr. ELIOT. Yes.

Commissioner WEINSTOCK. In answering questions submitted by some of my fellow commissioners, you stated, among other things, that you regard it as unethical and unwise to elect or to reelect officers of their organizations convicted of crime. Do you know of any instances where that has been done—where unions have elected or reelected officers who have been convicted of crime?

Dr. ELIOT. "No" is rather a strong word. I only have such knowledge as one gathers from the publications of the moment. Those publications have given me the impression that, in regard to the dynamiting convictions, the unions reelected men who had been convicted.

Commissioner WEINSTOCK. You have reference to the case of John Ryan, president of the Structural Iron Workers?

Dr. ELIOT. That is one of them.

Commissioner WEINSTOCK. Do you regard that as a mistake on the part of organized labor?

Dr. ELIOT. I regard that as something worse than a mistake.

Commissioner WEINSTOCK. How would you describe it?

Dr. ELIOT. As a serious moral offense against the community as a whole.

Commissioner WEINSTOCK. I gather also, from what you said, Doctor, that you regard the greatest enemies of organized labor to be within the ranks of organized labor rather than without the ranks of organized labor; and I inferred from that, and, if my inference is in error I will be glad to have you correct it, that you regard a unionist as an enemy to labor if he becomes a lawbreaker in the so-called interest of unions?

Dr. ELIOT. I do; but that is not precisely my point of view when I say that. The boycott and the limitation of output by union labor are injurious to the workmen themselves—to the members of the unions themselves. That is rather, perhaps, going to the bottom of things, but I believe that whatever injures the prospect of a man for happiness in this world is a wrong thing to him; and have we not all seen that the conditions of the laboring men of our country who belong to unions make it impossible for them to be happy. They can not be happy in their work—their daily work—and no one of us could ever be happy in working under such limitations as the unions prescribe. Take, for example, the limitations of the output. Now, no ambitious, energetic, zealous man can be happy or contented even under conditions of a limited output. That condition alone makes it impossible for him to have a happy life. And that is what I mean by saying that the conditions imposed on labor by the unions are seriously injurious to the men themselves, and that is the worst wrong that the unions do, in my opinion, the injury that they inflict on their own members. Therefore, my reply to your question, sir, would be that these policies of the unions are unhappy to the last degree, and, therefore, injurious not only to the unions but to the entire community.

Commissioner WEINSTOCK. I gather from what you say, Doctor, that your conception of one of the causes that lead to human happiness is development of the individual to his highest efficiency? That is, the highly efficient individual is naturally more happy than the inefficient individual or the individual whose efficiency has been stunted and blunted? Do I understand you correctly?

Dr. ELIOT. That is what I believe, most assuredly.

Commissioner WEINSTOCK. And therefore anything that tends to minimize the efficiency of the individual is harmful to the individual?

Dr. ELIOT. Precisely. And that is the only conclusion to which any man can come whose life has been spent in education. The whole object of education is to develop the individual to his highest capacity, not only for production, but for enjoyment and happiness, and that is what these unions cut all their members off from.

Commissioner WEINSTOCK. I take it, then, Doctor, if you and I were unionists and the union should say to us you shall do so much and no more, thus minimizing our efficiency, it would be an enemy in disguise?

Dr. ELIOT. Not much disguised, I should say. I never would consent to work under such conditions, and there has never been a moment in my life when I would have consented to work under such conditions, and that I believe to be true of most vigorous and independent men.

Commissioner WEINSTOCK. You speak also of the fact that in your judgment industrial peace can not be arrived at by present methods. What do you regard as a weak spot in the present method?

Mr. ELIOT. The present methods are fight—both sides. I can look for no permanent peace out of such conditions. And peace to me means conditions of community happiness and of personal happiness.

Commissioner WEINSTOCK. Well, what methods would you substitute for the method of fight?

Dr. ELIOT. Publicity, cooperative management, and profit sharing in great variety.

Commissioner WEINSTOCK. I gather, then, that you are a believer in the wisdom of industrial democracy?

Dr. ELIOT. Entirely—in a proper sense; in a proper sense.

Commissioner WEINSTOCK. That is, you would give labor a voice in industrialism?

Dr. ELIOT. In the management; yes, sir—in general, and in discipline.

Commissioner WEINSTOCK. From your observation, Doctor, what do you think is the present tendency? Is the tendency, so far as you can see, for a higher degree of industrial peace or for a lesser degree of industrial peace?

Dr. ELIOT. I have not been able to make out the tendency. As I think I have said before, up to three or four years ago I thought that the tendency was to continued fighting without peace, but latterly I have begun to think that there are a good many forces making toward peaceful adjustments.

Commissioner WEINSTOCK. Do you or do you not believe, Doctor, that much of the industrial friction that has taken place in this country in more recent years is due very largely to misunderstanding—largely to the fact that each side looks at the situation through one eye in the place of looking at the situation through both eyes—

Dr. ELIOT (interrupting). Yes, sir.

Commissioner WEINSTOCK (continuing). Due to the fact that the one side does not put itself in the other fellow's place?

Dr. ELIOT. I think that is part of it—ignorance on both sides of the other fellow's feeling, and also of human nature in general. But I am afraid there is another serious difficulty, and that is the demonstration and manifestation of intense selfishness on both sides—the manifestation of selfishness being most acute, I should say, on the side of labor.

Chairman WALSH. I have been asked to ask you a few questions, Doctor, which I will put to you now. First, with respect to the economic doctrine bearing on the tariff. What has been the prevailing doctrine of those business interests of New England from whose resources the fund of Harvard College have been largely drawn?

Dr. ELIOT. Some of the fund—no very large proportion—of Harvard College came in before the tariff question arose in this country. We have seventeenth-century and eighteenth-century funds. The greater part of them have come in the nineteenth century and the twentieth. In the nineteenth century I should say that a considerable portion of the funds came from men who had been believers in protection.

Chairman WALSH. And what has been the characteristic doctrine of Harvard College economists on the same subject?

Dr. ELIOT. There has been no characteristic doctrine on the subject of protection or the tariff in Harvard College. We never had a professor of political economy until 1870-71, I think, and since that time we have had four or five professors at work at the same time. There has never been an agreement of opinion among them on the tariff. The professor that gave a quarter part of his time to political economy before 1870 was an extreme protectionist, and he taught protection quite actively, with the result that among his disciples a good many free traders were developed. But then in general Harvard College enjoys a very great degree of freedom, both on the part of the teachers and upon the part of the students on all subjects, I may say.

Chairman WALSH. One other question. Following the line of your testimony that the boycott was never justified, this question has been handed to me:

If strikers of one shop were to announce to the public that the products that were being manufactured in a nonunion shop were being manufactured under exactly the same insanitary conditions under which they struck and in which the public is deeply concerned, would you call that a justifiable boycott?

Dr. ELIOT. So far as giving to the public this information, entirely so. That is merely an element, as I understand it, in publicity—publicity of the existing conditions.

Chairman WALSH. Commissioner Ballard says he has one other question he would like to ask you.

Commissioner BALLARD. Doctor, I was afraid there was a slight misunderstanding occurred, and I would like to have you clear it up, and that is this: Do you consider the responsibility of a stockholder in a corporation the same as the responsibility of a bondholder? Do you see any difference in the responsibilities of those two methods of ownership?

Dr. ELIOT. Yes; I do.

Commissioner BALLARD. If then, for instance, one of your foundations held bonds in an industrial corporation, you might not feel any responsibility, whereas if it held stock you might feel some responsibility. The questions that Commissioner Garretson brought out, I am afraid, left you or your expressions a little confused in that regard.

Dr. ELIOT. The responsibility of a stockholder, so far as my observation goes, is limited to a choice of the directors. Now, the bondholders have not any such responsibility as that. They have nothing to do with it. Therefore it seems to me the responsibility of the bondholder is really different from the responsibility of the stockholder. Is that what you meant?

Commissioner BALLARD. Yes; I thought there was a little confusion.

Chairman WALSH. Commissioner Weinstock, I believe, has a question.

Commissioner WEINSTOCK. Just one more question, Doctor, if you will bear with me. Referring to the question of foundations, if you had all the wealthy men of the country assembled before you and were discussing with them the wisest way to use their wealth, would you or not advise them to follow the example of Mr. Rockefeller, Mr. Carnegie, and others and to establish foundations to be used for the common good?

Dr. ELIOT. I should not know any better advice to give them. All methods of using great sums of money for the public welfare, to do good with in permanent ways, are difficult—very difficult. I have never seen as much care used in setting up large funds for the permanent benefit of the public as in the case of the Rockefeller Foundation, in the sense of the public or in the sense of the whole world. I have never seen greater care exercised than in those cases of the disposition of the permanent benefit to the people of the great sums of money such as have come into the hands of the Rockefeller family.

Chairman WALSH. You may be excused permanently now, Doctor, and we are very thankful to you for your testimony.

We will now stand adjourned until 2 o'clock, to meet in this room at 2 o'clock sharp.

(Whereupon, at 12.30 o'clock p. m. of this Friday, January 29, 1915, a recess was taken until 2 o'clock p. m.)

AFTER RECESS—2 P. M.

Chairman WALSH. The house will be in order, please, and we will proceed.  
Mr. John Hays Hammond.

**TESTIMONY OF MR. JOHN HAYS HAMMOND.**

Chairman WALSH. State your name, please.

Mr. HAMMOND. John Hays Hammond.

Chairman WALSH. What is your place of residence?

Mr. HAMMOND. Gloucester, Mass.

Chairman WALSH. What is your business?

Mr. HAMMOND. Engineering.

Chairman WALSH. I believe some questions were submitted to you by this commission, Mr. Hammond?

Mr. HAMMOND. Yes, sir.

Chairman WALSH. Have you prepared answers to the same?

Mr. HAMMOND. Yes; Mr. Chairman.

Chairman WALSH. Would you prefer to just read the questions and answers, Mr. Hammond?

Mr. HAMMOND. I think I would, Mr. Chairman.

Chairman WALSH. Please do so, then, and I would suggest that you pitch your voice a little higher for the reason that it is difficult for some of the commission to hear and also the auditors in the rear of the room.

Mr. HAMMOND. I will do so; but in presenting this statement I wish to absolve any of my associates in the National Civic Federation for any expression of views that I give. I am chairman of the industrial, economic department, and I have not consulted with them as to the statements I make, and it is therefore only fair to state that. Moreover, as I shall touch on some subjects which may not be very popular, I wish to state very emphatically that I have no connection whatsoever with any trusts, directly or indirectly, nor have I ever had, nor am I interested in a protective tariff, but on the contrary my interests are elsewhere. I only state this to give a little credibility to my position in making statements that may seem in conflict with them.

Now, as to the question of responsibility of stockholders and directors, I would state that the stockholders of corporations are only remotely responsible for the labor conditions which exist in it and for the social conditions which are produced, since the stockholders delegate their responsibility to a board of directors of their choosing. It would obviously be impossible for stockholders to be conversant with the details of operation of a corporation, and it would be impracticable for them to exercise administrative functions. Directors are responsible for the general policy of corporations and are specially responsible for the executives whom they select to conduct its operation; but the responsibility directly falls upon the manager as far as the labor conditions of the corporation are concerned. The general labor policy may be determined by the board of directors, and should be determined by the board of directors, but the details as to the carrying on of this policy must be left to the manager, who, from a constant and intimate connection with the labor conditions arising in the operation of the corporation, is more competent to determine the details of the labor problems than the directors of the corporations.

As a matter of fact, no high-class manager would submit to the constant dictation by the directors of a corporation as to the details of administration, which are often responsible for the beginning of labor troubles. Moreover, in the interest of all concerned, stockholders, directors, and wage earners themselves, the manager should be experienced in handling labor, one thoroughly conversant with labor conditions and especially with local labor conditions, and he must be backed up by his board of directors to be able to carry out the general policy of the corporation; but there should be a managing director to keep the other directors in close touch, by personal visits to the property, of conditions there. The directors, or some committee of directors, should be compelled in the case of labor disturbances to make a personal visit to the property and acquaint themselves with the actual conditions. The directors of corporations rarely have had the kind of experience necessary to qualify them to deal directly with labor conditions, their activities having been confined as a rule to the financial management of corporations, and in that sphere men of ability, experience, and high standing are required to protect the inter-

ests of the stockholders and to so finance the corporations as to enable the manager to carry out his work under those advantageous conditions; and this in turn should result in more steady employment and better wages for the employees.

Every successful manager knows the importance of establishing good relations between the management and the employees and that it is bad business—it does not pay—to have seething discontent among the employees. For that, if for no other reason, a good manager would endeavor to win the confidence and respect of his employees by giving them fair treatment, able and resolute management, and by showing a personal interest in their welfare. These are the underlying conditions that exist between stockholders, the executives of a corporation, and employees; but, of course, in practice the personal equation comes into play. Often the local managers are hampered by unreasonable and unwise interference by the directors, the effect of which is to discredit them with the employees and to weaken their authority. On the other hand, the managers themselves are too often unreasonable and arbitrary and are directly responsible for well-founded discontent, which may develop into labor troubles. Then, too, managers have often to deal with unreasonable employees who have become disaffected because of the pernicious activities of labor agitators. Very much of the trouble between corporations and the employees is caused by the walking delegate and this is especially so where the dominating element among the employees is foreign labor, ignorant as to American labor and social conditions. Such a situation is often aggravated by the political demagogue, who plays his selfish rôle in abetting the labor agitator in order to secure the labor vote. There is no doubt also that the responsibility for this condition very often lies with the large corporations, which have for selfish purposes employed an undue percentage of the kind of labor to which I have referred because of the lower wages paid, to the exclusion of higher-grade labor, which, having been elevated to the higher standards of American living and citizenship, require higher wages to maintain those standards. I regard a policy of that kind on the part of corporations as not only culpable but shortsighted, and one which will always be costly in the end. If we are to build up responsible citizenship in this country we can not lower the standards of living of the wage earner. Unless the great protected industries of this country can pay an adequate wage they should not be accorded the benefits of a protective tariff. This is good civics, good business, as well as humanitarianism.

As to the broad question of unemployment, the underlying causes are economic, but there are other factors which accentuate and sometimes determine conditions locally. The question of supply and demand is, of course, basic. It is unfortunate that the solution of great problems of this country, purely economic in character, is not always dissociated from politics. Legislation dealing with the tariff, the currency, the trusts, and other economic subjects vital to the welfare of the entire Nation is in a large measure determined on strictly political lines, indeed is often determined by superficial orators on the political stump in times of a heated campaign, rather than by the deliberations of business men in boards of trade.

One of the most important adverse factors in the problem of the unemployed is the "briefless" lawyer who, despite an absolute lack of experience in business affairs of any kind whatsoever, is selected to legislate on economic problems of national import. But the self-centered business man is in a large measure responsible for this condition, because of his failure to take an interest in civic and political affairs. This condition is due to the fact that at one time in our political history some great corporations, by generous contributions to campaign funds, were able to elect legislators who would attend to matters of legislation for them. Fortunately for the country and, indeed, for the corporations themselves, this order has changed, and large corporations would now be perfectly satisfied to receive only what is due them under equitable laws. But the pendulum has swung too far in the other direction, and political demagogues, taking advantage of the unpopularity of corporations, which some years ago was in a large measure deserved, because of their reprehensible practices, are still at times making political capital out of this circumstance by promoting anticorporation legislation.

As bearing on the question of unemployment, one of the economic lessons taught by the present European war is the complete vindication of the fiscal policy which has resulted in the building up and expansion of our great national industries. We learn more clearly than ever the interdependence of our in-

dustries; the total dependence, for example, of that great industry of agriculture on the prosperity of the manufacturing industry, for in the manufacturing centers it finds its best market. We learn the importance of all of our industries to the extensive classes employed in our great transportation systems, in our agencies of distribution, etc., and we must conclude, therefore, that the keynote of our economic and fiscal legislation must ever be to preserve unimpaired the integrity of our home industries and the purchasing power of our domestic markets.

With a rapidly increasing population we obviously must extend our industries, but we must nevertheless not lose sight of the fact that overextension inevitably causes depression in times of business recession. Indeed, authorities agree that we are now rapidly approaching the limit—that is to say, the point of saturation—in our domestic markets, at least in so far as present demands under normal conditions are concerned. It is obvious, therefore, that we must either curtail the capacity of our factories, which would result in throwing out of employment millions of wage earners, and the disorganization of complementary industries as well, or we must depend upon the exploitation of foreign markets for the relief of our congested home industries.

In competing with foreign markets we are to meet our great trade rivals, who have by years of experience and by the expenditure of colossal sums obtained a foothold more or less firm in the markets we seek. Therefore, to successfully compete with these nations we must secure for ourselves every advantage that can be derived from the most efficient exploitation of our national industries, fostered by constructive legislation at home, and promoted by able commercial diplomacy abroad. This has been the policy of Germany, and its success is evidenced by the unparalleled strides she has made in the development of her great foreign commerce.

Economics is too often subordinated to politics. The vehement attacks of our Government on corporations, indiscriminately impeaching the integrity of corporate practices—I say indiscriminately—and of our business men, has not only prejudiced our position as exporters in foreign markets, but has increased the difficulty of obtaining in foreign financial centers capital for our industrial needs. This has a far-reaching consequence, having regard to the fact that we have borrowed from abroad upwards of five billions of dollars for the development of our home industries. It is by our excess of exports that we are able to pay the interest on this large sum, and to gradually wipe out this indebtedness.

There has been much unintelligent prejudice, partly inspired for political purposes, against what we call "big business," but the people of the country should be convinced that unless our industries can be developed on large-scale production, as is the practice of our European rivals, we will be seriously handicapped in our quest for foreign markets, because of the inevitably higher cost of production at home. England permits, France encourages, and Germany frequently compels combinations, which inure to the advantage of cheap production and the country's export trade.

One of the essentials of efficiency in production is industrial peace. This is too large a subject to discuss at present, but, while realizing the complexity of the problem, I do not believe that I am too optimistic in expressing the opinion that the relations between employer and employee are better to-day than for many years past. The employer is recognizing the justice and the advantage, when properly conducted, of the principle of collective bargaining, and both employer and employee recognize more than ever their interdependence and their reciprocal obligations as well, and with the spirit of fair play that generally prevails, and must ultimately prevail, we have every reason to believe that the labor agitators, on the one hand, and the unreasonable employers, many of them on the other, will soon become less serious obstacles to industrial peace generally.

While I am opposed to the principle of the closed shop, believing it to be thoroughly un-American, I nevertheless strongly favor labor organizations when the leadership is in the hands of the best class of labor leaders, and I believe that employers of labor would do well to support labor organizations of that kind to prevent the growth of organizations of the radical stripe.

I do not believe that there are any irreconcilable differences of an "irrepressible conflict" between capital and labor. While it may be true that both are not equally benefited by the maintenance of industrial peace, it is true that they both are greatly hurt by industrial warfare. I believe that if the managers of corporations would more generally take into their confidence their



employees as to the business necessities and as to the disastrous effect of adverse legislation to their business, they would not only stimulate the interest of the employees in their work, but also enlist their support and influence against injurious legislation. It is necessary for managers of corporations to impress upon employees that they are "in the same boat," and for their own safety they both should oppose either political demagogues or selfish labor agitators "rocking the boat."

One of the great labor problems is efficiency. Some years ago America enjoyed a great advantage in industry—the superiority of American labor in respect of its productivity—compared with the labor of other countries. Unfortunately we now enjoy that advantage only in a limited measure, owing to the improvement in the standard of foreign labor through vocational education, scientific training, and especially owing to the introduction into those countries of improved machinery, for the great part of American design or manufacture. Therefore, if we are to compete with foreign countries, and at the same time maintain the higher wages of the American wage earner, we must attain the highest possible efficiency of labor without, of course, the imposition of the "speeding-up" system, which is in all respects objectionable.

I believe that American industry would be greatly benefited by the extension of vocational training, for those who directly supervise labor and for a more general scientific training for the higher officials themselves, and, indeed, for the directors of corporations.

It is said that "he is idle who is not best employed." There are certainly a lot of misfits not only in industry but in all branches of human activities, because of the fact that they were not properly sorted out in their collegiate training. The more scientifically trained leaders of industry there are the more men will be added to the producing and taken away from the nonproducing class of the community. I believe that it is a misfortune for the country and adds to the number of the unemployed that the universities are yearly turning out an overproduction of nonproducers, who crowd into the already congested so-called "polite professions." Graduates of technical schools would be a far better asset to the Nation.

The people of the country, of all classes, irrespective of political affiliations, are beginning to recognize the fact that politicians have, in a large measure, by their indiscriminate attacks on national industries, created a lack of confidence, which has contributed to periods of depression. For that reason there is to-day a strong revulsion of feeling throughout the country against the attitude of such legislators, and I believe we have every reason to hope that the compelling force of enlightened public opinion will in the future result in legislation facilitating rather than has hitherto been the case, obstructing the processes of industrial development, while at the same time adequately safeguarding the interests of the State, community, and individual. There will always be social unrest—not often, it is to be hoped—in the form of accentuated discontent, but due to a natural and commendable desire for social betterment, a perfectly normal and healthy aspiration, which makes for progress unless it is stimulated by the pernicious activity of designing and unscrupulous individuals, or unless it is repressed by selfish, greedy employers of labor until it becomes abnormal and radical and then attempts to progress by revolution rather than by evolution.

I believe that many strikes and lockouts could be prevented by boards of mediation if these boards were composed of men who commanded the respect and confidence of the community. An impartial report, made public, by a board of high character on the issues in controversy between the employer and employee would so crystallize public sentiment on the merits of the controversy as to make it unprofitable for whichever side is adjudged in the wrong by the board to continue the strike or lockout in defiance of public opinion. It would enable the public to judge between good employers and bad employers and good labor organizations and bad organizations, and to be able to discriminate in that way is advantageous to employer, employee, and the public.

"Do the existing private and public agencies deal adequately with these problems?"

I do not believe that existing private and public agencies deal adequately with these problems. I favor a national employment bureau to facilitate the distribution of labor and to prevent its congestion in certain centers, which, of course, is the direct cause of unemployment at that point.

It is better for the job to hunt the man than for the man to hunt the job. It is better to have too few men than are necessary for present requirements of labor, than to have a surplus of labor and men go unemployed and hungry.

Furthermore, I believe that every wage earner in the country capable of working and willing to work is entitled to employment, and that our immigration laws should have this important matter in view. To assure the employment of these wage earners would not, I believe, be a very difficult problem, as the surplus labor would occur only at rare intervals, in which case the Federal Government should provide employment, rather than have self-respecting and deserving wage earners become objects of charity.

This I know is contrary to the laissez faire theory of economics, but is, nevertheless, a prerequisite to removing just causes of social unrest; for I believe that the criterion of good government should be the degree attained in the prevention and alleviation of misery, rather than in the promotion of prosperity. Great national wealth, even though it be widely distributed, insuring general prosperity, is by no means indicative of good government if there exist in the community in which we live preventable or remediable distress among any considerable number of its citizens.

"Do the large resources of endowed foundations constitute a possible menace? If so, what regulation or supervision is desirable?"

I do not believe that any menace exists which can not be obviated by making public the object and the operations of the foundation. There can be no doubt that such foundations have contributed inestimable service to the welfare of the people generally, and that many of the larger foundations are managed very much more efficiently than many private charities, the direction of which is more or less desultory. They are, as a rule, conducted by men of achievement and not by place seekers.

I have no sympathy with stimulated discontent, and I believe all capitalists who are not animated solely by considerations of present expediency, but who, having ordinary provision, must recognize the fact that the safety valve upon which the country must depend for industrial peace is the opportunity for the wage earner to earn a livelihood for himself and family according to the American standards of living, and, moreover, to have the opportunity for advancement provided he possesses character, ability, and energy, and is willing to make the personal sacrifices always essential to success.

Profit sharing undoubtedly is an important step in the solution of this problem. It should not have any of the taint of charity, but should be incorporated in the wage to which the wage earner is entitled.

Safety devices in industry, proper sanitation, etc., I regard as a part of the mechanism of industrial operations and not a concession to the welfare of the wage earners.

Employers of labor should anticipate its just demands and not be compelled to make unreasonable concessions to labor at the point of the pistol.

While I have great sympathy for the oppressed of other lands, and especially for those politically oppressed, I believe that "charity begins at home," and that no immigration should be allowed to threaten the maintenance of the American standard of living among the industrials by an oversupply of labor, even though it be temporarily of advantage to our national industrial development. I would prefer the test of admission of immigrants be determined by the character of the immigrant, the reputation he has borne in his home country, and his availability as a future member of the body politic, rather than by a literacy test, because I believe that the educational feature can be supplied by our public-school education, whereas moral delinquency will always be a menace to our democracy.

I do not believe in what is called, as I understand it, the democratization of labor; that is, to have industrial methods, processes, and direction determined by employees, as this would result in bringing politics—that is to say, intrigues—and other factors, which would have an undermining and subversive influence in industrial operations. But I believe thoroughly in the men in each department of the management keeping in close touch with the work of those departments, and that has been done in all the activities that I have attempted, with the result that I have never had a strike on the part of any of the employees I have had all over the world.

Such a policy would, I am sure, be opposed by labor itself, recognizing that it is absolutely incompetent to determine the technical and complex questions involved in industrial operations, and that those problems must be left to technically trained and experienced specialists.

Chairman WALSH. I have been asked to ask you the following questions, reasonably short questions: Do you believe that all the people of this Nation are properly fed and sufficiently clothed?

Mr. HAMMOND. I do not.

Chairman WALSH. Until they are so, can there be any such thing as overproduction?

Mr. HAMMOND. Overproduction of what—what do you mean?

Chairman WALSH. Of wealth.

Mr. HAMMOND. Of supplies?

Chairman WALSH. Of supplies.

Mr. HAMMOND. Well, the overproduction of supplies would be determined by the market for the supplies. I think that has really no direct bearing on the fact that there is unemployment in the industry.

Chairman WALSH. Is not the inequality of distribution of wealth responsible for the inexplicable condition of unemployed land and unemployed factories existing at the same time with unemployed men and women?

Mr. HAMMOND. That is a difficult question. I may say this, that I believe that we must arrive at a better distribution and more equitable distribution of wealth. Now, I am not quite sure that I have got that question—

Chairman WALSH. Perhaps I had better read it again, because it was written and sent to me, and I will read it over: "Is not the inequality of the distribution of wealth responsible for the inexplicable condition of unemployed land and unemployed factories at the same time with unemployed men and women?"

Mr. HAMMOND. That is a very difficult question to answer, because it does not seem to me to be so very clear. The interrogator himself in that confessed that it was inexplicable, you know. But if I understand the meaning, the factories being idle and lands not being developed, and there being unemployed, I think that has very little to do with where wealth is located, because, as a matter of fact, that wealth goes again into industrial development. It is not locked up. It is helping out the development of the country. That has nothing to do with the question of equitable distribution.

Chairman WALSH. I suppose that answers the question.

Mr. HAMMOND. I would state this on that very question—I think I see where it is pointed—that while I would much prefer to see a more equitable division, I do not think that large wealth itself should be criticized. The question should be asked not so much what a man has, but how did he get it and what he is doing with it. That would be my criterion.

Chairman WALSH. Commissioner Ballard has a question or two that he says he would like to ask you, Mr. Hammond.

Commissioner BALLARD. Mr. Hammond, you speak of the American conditions of living and of men being educated up to the American conditions of living. The statistics show that we have had in the past practically a million immigrants a year. Now, if they are going to require immediate American conditions of living, should they also be educated to the American conditions of production, or would they be given immediately the American conditions of living, which means a certain wage, probably three or four times what they have been getting in the old country, without their being immediately educated up to giving the American output of labor?

Mr. HAMMOND. Well, I think it would take some time to develop them up to the American standard of production; but I should nevertheless insist that those men be paid the American standard of wage so as to make it impossible for the great corporations to bring in a whole lot of cheap labor and dump it on America. I should make no incentive to the great corporations to bring in that cheap labor, provided—the basic position should be that we must preserve the American standard of wage. We can not expect to develop good citizens in this country if we are going to make our men come down to the low level of living that the foreigners are willing or have to as a matter of fact assume. Now, that is the basic principle, I think, in the question.

Commissioner BALLARD. You spoke of stimulated discontent. By that do you mean that where factories are apparently working satisfactorily and under satisfactory conditions that paid organizers come to those factories and plants and stimulate discontent? Is that what you mean by stimulated discontent?

Mr. HAMMOND. Yes, sir; I do.

Commissioner BALLARD. In speaking of the limitation on immigration, you know that has been up recently—

Mr. HAMMOND (interrupting). Yes.

Commissioner BALLARD. And I do not want to inject any politics into this question, but I have the impression that the immigration that has existed in the years past was more or less voluntary to this country. In fact, as we all know, in the early stages of the Nation it was a great and serious and difficult thing for a man and his family to come to this country at all, and it required great sacrifice and effort. It has been suggested that immigration in the last few years has been immensely stimulated by the foreign steamship companies. In fact, that there have been a great many steamship companies, on account of the desire of other countries to have ships which they could use in time of war, and those ships desired to get traffic or tonnage from that bringing in of immigrants, just like railroads solicit freight, and that they have stimulated immigration, and that that has been one cause of our perhaps large overimmigration and more than the country could absorb. Have you given any study to that particular view?

Mr. HAMMOND. I have not in detail; but I am absolutely convinced that it is true. I think a great many of them land labor and dump them where convenient and where it happens to suit their purpose. I happen to know something about that thing, because I was chairman of this American committee that looked after the immigrants when they were landed here for some years. We saw the terrible straits they were in without money and without anything else, and evidently brought over here not for their own benefit but for some advantage to the steamship companies, to make all they could out of them, and the thing ought to be very thoroughly regulated and supervised by the Government.

Commissioner BALLARD. Our commission has been directed by Congress to study the causes of industrial unrest. Do you think that is one of the causes?

Mr. HAMMOND. It is a very serious question, and I think the restriction should be made on the other side of the water and not here. I think that is where the investigation and the Ellis Island should be established, through our consulates in the countries where these men come from, so that they might find out the history of the men and make it up to the men to justify their coming into this country rather than have us justify or find a reason why they should not come. Let them bring certificates of good moral character. That is possible.

Commissioner BALLARD. Would you think it would be possible to perhaps make some limitation on the advertising methods of the steamship companies, which they indulge in to persuade people to come to this country, whether they wanted to come or not?

Mr. HAMMOND. Where they are misleading and misrepresenting facts and conditions there most certainly should.

Commissioner BALLARD. Would you prefer some such method or a literacy test, or both?

Mr. HAMMOND. I would not have the literacy test. A great many good people came to this country who could not read and write and have developed into some of our very best citizens. I think that is a very mean and narrow test. It is a character test that I would advocate; and that is not simply academic in character. We can determine by investigation a man's status in the community where he lives. If he came from a bad family and had bad antecedents, we could stop him from coming.

Commissioner BALLARD. You would strongly urge some effort along that line?

Mr. HAMMOND. I do, very strongly, Mr. Commissioner.

Chairman WALSH. Commissioner Garretson would like to ask a question or two.

Commissioner GARRETSON. Just one expression of your own experience that I would like to have, Mr. Hammond—if you feel free to make it—and it is because of the experience you have had that I would desire the opinion. Have you or have you not known of many instances where an intelligent and liberal and humane manager was absolutely blocked from making the reforms that he believed to be proper and that he should make in the way of hours, or the conditions under which the men were working, or wages, by what has been referred to in these hearings frequently as absentee landlordism and impersonal direction?

Mr. HAMMOND. Yes; that has come under my observation; but I never knew a self-respecting manager who would remain after that. He would leave.

Commissioner GARRETSON. If he was strong enough to stand that influence he would disregard it.

Mr. HAMMOND. Either disregard it and defy it or tender his resignation.

Commissioner GARRETSON. But if he did not have the moral fiber to stand against it he would simply go with the stream?

Mr. HAMMOND. He simply went with the stream and lost all the respect of his men and then trouble began.

Commissioner GARRETSON. Isn't that very factor one of the great elements entering into the misunderstanding between man and master?

Mr. HAMMOND. I think it is.

Chairman WALSH. Commissioner Weinstock has a question.

Commissioner WEINSTOCK. I gather from your statement, Mr. Hammond, that you deny the employer the advantage of the protective tariff unless he paid the standard wage?

Mr. HAMMOND. No; unless he would pay a wage sufficient to keep up the American standard; yes.

Commissioner WEINSTOCK. Well, now, how would you put your idea into practice; into practical operation?

Mr. HAMMOND. I am presupposing that he will be accorded protection that will enable him to pay the difference between the cost of labor abroad and here. That is fundamental. If he gets that wage and professes not to be able to pay a living wage to his employee I should cut off the benefits of the tariff.

Commissioner WEINSTOCK. Suppose there were 100 employers engaged in an industry and 90 per cent of them would pay what would be regarded as a standard wage, and 10 per cent paid a wage below the standard; how would you apply your ideas to that 10 per cent?

Mr. HAMMOND. Of course there are times of temporary expediency, when it might be a question of arrangements between the employer and the employee, that he will skin along, times are hard, and he will be able to economize and get down to the barest necessities, but that should not prevail long because, as a matter of fact, if the industry does not pay a wage charity has to do it. The wage has to come from somewhere or else we will have demoralized our labor.

Commissioner WEINSTOCK. One other thing: Suppose that became a permanent, chronic condition, that 90 per cent of the employers did pay the standard wage and 10 per cent of the employers persistently and intentionally paid less than the standard wage. What is not clear to me is how you would employ your thought of denying them the benefit of the protective tariff.

Mr. HAMMOND. That is a difficult question in practical application. It would not be fair to take it off of the 90 per cent.

Commissioner WEINSTOCK. For your information, Mr. Hammond, in this connection, it may be interesting to know that Australia tried that very idea. Australia started out on the theory that the protective tariff was intended not for the employer, but for the worker, in order that the worker should be insured a living wage. A law was enacted by the Parliament of Australia to the effect that whenever it could be shown that an employer was not paying the standard wage he would be individually denied the protection of the tariff; but that law was thrown out as unconstitutional, and would doubtless be unconstitutional in this country as well.

Mr. HAMMOND. I had in mind advocating a minimum wage; I had in mind to employ that.

Commissioner WEINSTOCK. You would establish a minimum wage?

Mr. HAMMOND. Yes.

Commissioner WEINSTOCK. And the employer who failed to pay that minimum wage would be individually denied the protection of the tariff?

Mr. HAMMOND. Yes.

Commissioner WEINSTOCK. I suppose you are not sufficiently familiar with the legal phase of it to know whether it would be constitutional?

Mr. HAMMOND. No; but I hope we can make the law conform to the necessities of the case, for the welfare of the country.

Commissioner WEINSTOCK. I also gather from your statement that you are not a believer in what has been termed as "industrial democracy"?

Mr. HAMMOND. No; if I understand the definition of it.

Commissioner WEINSTOCK. If I understand the definition of industrial democracy as given by Mr. Brandeis, who is an advocate of it himself, it is giving labor a voice in the management of the industry.

Mr. HAMMOND. I do not believe in that.

Commissioner WEINSTOCK. Then you would differ from Mr. Brandeis and Dr. Elliot, who testified this morning?

Mr. HAMMOND. Yes, sir; I do not think that either one of those gentlemen has had anything to do with labor.

Commissioner WEINSTOCK. You have been an employer of labor?

Mr. HAMMOND. I have all my life, and that does not work out. Labor does not want idealism. They are practical, and labor knows that that is impracticable. I heard Dr. Elliot testify this morning to that effect, and I beg to differ with him.

Commissioner WEINSTOCK. At what point would the scheme fail?

Mr. HAMMOND. The scheme would fail when labor was taken in beyond that of an advisory capacity. When it came to directing it would absolutely fail, and labor itself knows that it would be unsafe. That would be one point, and it would fail from the fact that labor had not been trained—that is, the average laborer—it would not have the ability to produce at a profit; it would close up industry and it would be bad for all. I can not see one thing that could be urged in its defense.

Commissioner WEINSTOCK. But is it not a fact, Mr. Hammond, that so far as the question of wage, and the question of hours, and the question of working conditions, that so far as those questions are concerned, that you practically have industrial democracy where there is collective bargaining? That is, the labor there has a voice?

Mr. HAMMOND. That is a very different thing.

Commissioner WEINSTOCK. Where would you draw the line? At what point, if you admit that collective bargaining is practically industrial democracy, and give labor a voice in that particular?

Mr. HAMMOND. They ought to have that.

Commissioner WEINSTOCK. Where would you draw the line of industrial democracy?

Mr. HAMMOND. There comes the question of where a certain number of hours of labor can be determined—the number of hours that labor in a special direction can do efficient work and keep its health and find enough time to be human, and I think that does not require any expert to accomplish; but when it comes to laying out great metallurgical works or railroad enterprises, I do not think that labor knows anything about it or professes to.

Commissioner WEINSTOCK. Then you draw the line at anything that affects the immediate welfare of the worker, so far as wages, hours, and working conditions are concerned?

Mr. HAMMOND. Yes.

Commissioner WEINSTOCK. That is, you would give him a voice in determining those questions of hours, wages, and working conditions, but not beyond that?

Mr. HAMMOND. Not beyond that; no, sir.

Commissioner WEINSTOCK. You draw the line at that?

Mr. HAMMOND. Yes, sir; I draw the line at that.

Commissioner WEINSTOCK. We have had employers, very large employers, testify before this commission, Mr. Hammond, who admitted that organized labor was a good thing; that labor had the right to organize and should, in its own interests, organize. They have even admitted it was a good thing for the other fellow to do with, but that when it came to themselves they wanted none of it.

Mr. HAMMOND. That is a selfish view; that is the view of the employers who generally want to reform the other fellow. [Laughter.]

Chairman WALSH. You will please preserve order and make no audible expression of your feelings.

Commissioner WEINSTOCK. You are not in sympathy, then, Mr. Hammond, I take it, with this kind of employers?

Mr. HAMMOND. No; I am not.

Commissioner WEINSTOCK. You have been a large employer of labor, have you not?

Mr. HAMMOND. Yes, sir.

Commissioner WEINSTOCK. And as you stated a little while ago, you never had a strike?

Mr. HAMMOND. I never had a strike of my own laborers.

Commissioner WEINSTOCK. Have you dealt with organized labor?

Mr. HAMMOND. Yes; I have dealt with organized labor, the open shop, and the closed shop, and all kinds of shops. I never had a strike or was connected with a strike, except the strike in the Coeur d'Alene district, where I protected my labor, and that is where the strike occurred.

**Commissioner WEINSTOCK.** You can not give the commission an expression of your opinion on scientific management?

**Mr. HAMMOND.** I do not think I am as well qualified as a good many others, and I would rather not, for the same reason that I have not answered very definitely the questions about the foundation.

**Commissioner WEINSTOCK.** The question of scientific management is one that this commission has gone into quite extensively, and there seems to be a difference of opinion, and you have been called on to give your opinion of scientific management, and we are anxious to know whether it is a good or a bad thing, and we have heard conflicting testimony on that point. We have had witnesses who pointed out that scientific management is good for the employers, is good for the workers, and good for society; and we have had other witnesses who claimed that scientific management was simply a system of speeding up in disguise, and that it was meant in the end to exploit the workers.

**Mr. HAMMOND.** I am against that, as I said in my statement.

**Commissioner WEINSTOCK.** From what you know of scientific management, and I suppose you have been more or less in touch with it, assuming that it is properly and wisely managed, do you think it is a good or a bad thing for the worker and for the employer and for society?

**Mr. HAMMOND.** I think a little introduction of scientific management would be very good, but there might be an abuse of it. I see the other side of it.

**Commissioner WEINSTOCK.** That is, unabused; you favor unabused scientific management?

**Mr. HAMMOND.** Unabused scientific management. And I have not had very much experience with that. That is one of the new fads that has come in lately. I have gone on the good, plain, old business plan of getting the best work I could out of my men. I have had to work not as closely perhaps in the old days as may be necessary now where we have to skim the thing down pretty close.

**Commissioner WEINSTOCK.** As a man of long experience in handling labor, Mr. Hammond, what have you found to be the best ways to get the best results out of labor?

**Mr. HAMMOND.** To go right straight to them, get in touch with them. That is the way to do it.

**Commissioner WEINSTOCK.** Now, is that physically possible with a man who employs a great many men? If you had 10,000 men, could you do that; if you had that many under your control? You could not possibly come in touch with them?

**Mr. HAMMOND.** No; not with each one individually. But there are many opportunities to meet them—in the evenings and in their assemblages, their societies, discussions, in which the managers and the submanagers could get pretty close and keep pretty close with them there. It is a great deal the personal equation, in my judgment. We have all kinds of managers. Some make trouble every chance they get and some do not. And so it comes.

I may tell you an experience. Some years ago I went up to a mine that was situated in Colorado about 13,000 feet above sea level, and the men are locked in there all winter, four or five months, and you can imagine the discontent that arises in a place like that, how they hate the sight of one another, even the best of them. I went over on what is called an aerial tram line about 3 miles and got to the men. They were just ready to kill everybody that had anything to do with the company. I called them in. I had a talk with them. I said, "I am not the offender. I have not been here for a year. You can not have it in for me particularly. Now, what is the trouble?" They said, "That Italian cook." I said, "What is the matter with the Italian cook?" "Well, he gives us the same old thing from time to time again. Same thing Monday, same thing Tuesday, and the same thing Wednesday." So I called the cook in and I said—told him what they had said, and he admitted it. I said, "How many things can you cook? Take potatoes. Can't you do better than boil potatoes?" I found out really the man could cook potatoes in half a dozen different ways. And so I went on through the list. I said, "Instead of having potatoes boiled on Monday and then Tuesday and then Wednesday, have them boiled on Monday, and then have them fried on Wednesday, and go on through the week and make a meal." I appointed a menu committee of the miners. I said, "You will have to decide what kind of meals you are going to have." The thing went all around. I went up afterwards, a year later, and the same conditions—peace and prosperity—prevailed. If the manager had been able to get up there, he could have stopped it. They were on the point of a strike—for nothing. That is the whole thing.

Commissioner WEINSTOCK. You believe, then, that the secret lies in the "get-together" idea?

Mr. HAMMOND. I do absolutely. You can not have any peace without it.

Commissioner WEINSTOCK. That is, the long-distance manager is apt to bring about the evil results?

Mr. HAMMOND. I think so. Of course, it is not possible for a board of directors running large corporations to be able to personally visit all those different corporations. But unfortunately I do not think most of the directors would do any good if they went there, because they have never been up in touch with labor. That is the whole trouble. A man born in New York City who has never been West and rubbed elbows up against the people and has never shaken the hand of a workingman. Take the mining case—that he can not talk to them in their language; he has no influence with them at all.

Commissioner WEINSTOCK. He has got to be one of them?

Mr. HAMMOND. He has got to be one of them; that is it.

Commissioner WEINSTOCK. You were speaking, Mr. Hammond, about the difference between the job hunting the man and the man hunting the job. Of course, we all realize that when two men are hunting one job wages are low.

Mr. HAMMOND. Yes.

Commissioner WEINSTOCK. And when two jobs are hunting one man wages are high?

Mr. HAMMOND. Yes.

Commissioner WEINSTOCK. Does that not bring about a conflict of interest between the employer and the worker?

Mr. HAMMOND. Yes.

Commissioner WEINSTOCK. In other words, it is in the interest of the employer that two men shall hunt one job?

Mr. HAMMOND. It is a selfish interest, shortsighted.

Commissioner WEINSTOCK. And the interest is contrary when the two jobs are hunting one man?

Mr. HAMMOND. I would rather have it that way, though.

Commissioner WEINSTOCK. Now, in the interest of two jobs hunting one man, unionism first establishes unionism to minimize the volume of labor, and on the other hand is opposed to immigration to minimize the volume of labor. Do you find yourself in sympathy with those two attitudes of organized labor, first to minimize the supply by unionizing it, and second to minimize the supply by diminishing immigration?

Mr. HAMMOND. No; not that way. I go on the basic principle without regard to how it affects organization or unionism. I am thinking of the welfare of the country generally, because there are a great number of men who do not belong to the union. I am not speaking of the union; I do not care for that at all. I would determine those questions entirely by how it affects the welfare of the American workman generally, whether he belongs to the union or whether he does not.

Commissioner WEINSTOCK. Having that end in view, the welfare of the Republic?

Mr. HAMMOND. Yes.

Commissioner WEINSTOCK. The welfare of all the people?

Mr. HAMMOND. Yes.

Commissioner WEINSTOCK. What would be your attitude on the matter of immigration, for example?

Mr. HAMMOND. If I found a million people were coming in here, was going to make an overproduction of labor—

Commissioner WEINSTOCK. Oversupply.

Mr. HAMMOND. Oversupply of labor, I would cut down the inequity.

Commissioner WEINSTOCK. You would not leave the gate wide open?

Mr. HAMMOND. No, sir; I would not.

Commissioner WEINSTOCK. Then, your test was, I understood, a moral test rather than illiteracy test?

Mr. HAMMOND. Yes.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Commissioner O'Connell would like to ask some questions.

Commissioner O'CONNELL. Mr. Hammond, on the question of the labor being represented in the directorate of corporations, we will say, you think they would be unfit because of their unfamiliarity with the affairs of business corporations. How about the director who is unfamiliar with the affairs of the



company of which he is a director, and which a number of them who have appeared before this commission have stated they know nothing of the business in which they are directors, and stated their unfitness to direct?

Mr. HAMMOND. You refer to the conduct, the actual conduct of operations, do you, the big factories and the mills and all that?

Commissioner O'CONNELL. Yes; a director who is directing, if not on the ground, from away; he is made a director of the business.

Mr. HAMMOND. As I said in the beginning, no self-respecting, high-minded manager would stand the dictation from that kind of a director. I know I should not.

Commissioner O'CONNELL. The laborer would be as able in that case to direct as a director?

Mr. HAMMOND. Yes; exactly.

Commissioner O'CONNELL. And probably more so because of his familiarity with the business?

Mr. HAMMOND. Yes; I think he would.

Commissioner O'CONNELL. I want to get your idea of what is an open shop. We have had the open shop advocated before our commission by men in every walk of life, and I think probably most of them would differ as to really what the meaning is. What do you understand the open shop to be?

Mr. HAMMOND. I take it in the broad sense the open shop would take a man whether he belonged to the union or whether he did or not. If he is a union man there is no discrimination against him, and if he is a nonunion man there is no discrimination against him. There is no discrimination against him whatever.

Commissioner O'CONNELL. If an employer runs what he calls an open shop, and he don't employ union men, is he operating an open shop, so called?

Mr. HAMMOND. No; he is not.

Commissioner O'CONNELL. If he discriminates against union men he is not operating an open shop?

Mr. HAMMOND. No; I would not call that an open shop. I think that is very much of a closed shop.

Commissioner O'CONNELL. With the open shop, as I understand, the freedom of the individual to contract for himself; in other words, here is a shop that pays so much money and works so many hours and if you want it take it, and if you don't, don't take it. Has labor a fair chance under that condition of open shop?

Mr. HAMMOND. I think it has, providing you establish the wage, the standard of wage.

Commissioner O'CONNELL. But the employer sets the standard of wage, the hours to be worked, and the condition of employment. I come along and want a job as a machinist. I find the wages set, the hours set, the conditions of my employment set. He says, "Yes, I want a machinist. Here are the conditions. If you want to work, take, and if you don't, don't take it." Is that a fair condition or a fair chance in that condition of open shop?

Mr. HAMMOND. There comes the question for the strike, does it not? I mean if those are satisfactory, he is simply taking one extra man; it seems to me he has that right.

Commissioner O'CONNELL. Suppose I get the job. I do not like the wage after I get the job, and as an individual I strike; what have I accomplished? What effect have I on the situation?

Mr. HAMMOND. That is where collective bargaining comes in.

Commissioner O'CONNELL. I want to get to that.

Mr. HAMMOND. Yes; that is where it comes in.

Commissioner O'CONNELL. I would have no chance?

Mr. HAMMOND. No; not individually.

Commissioner O'CONNELL. In the present industrial world I would have no chance?

Mr. HAMMOND. No; not at all; not individually.

Commissioner O'CONNELL. The open shop, with open shop and employees dealing individually?

Mr. HAMMOND. Yes.

Commissioner O'CONNELL. Now, in the great industrial world of which we are a part, what chance have I as an individual dealing for my own condition of employment?

Mr. HAMMOND. You would not have any; you could not do a thing. You ought to join the union; if you have got the right kind of a labor union, join the union. That is what I would do.

Commissioner O'CONNELL. We change our officers occasionally, as we change the officers of our Government occasionally.

Mr. HAMMOND. I understand.

Commissioner O'CONNELL. As I understand the open shop, it means the employer claims to maintain the right of hiring whom he pleases under any condition of employment that the person making an application will work under.

Mr. HAMMOND. Yes.

Commissioner O'CONNELL. If he is satisfied, and that is a bargain?

Mr. HAMMOND. With always the limitation that he must not work below the right standard of wages, and I always keep that in mind.

Commissioner O'CONNELL. The employer in operating the open shop sets the standard of wages; he does not deal with anybody; he sets the standard of wages, or it is set by his directors; the company sets them.

Mr. HAMMOND. That is coming in sometime. That depends on the laws of the country, of each State, as I understand it, the State law. They have already introduced the law of the minimum wage in some States, and that will prevent the greedy, unreasonable employer trying to establish a standard below what the law requires.

Commissioner O'CONNELL. Well, we only have the minimum so far as affects women and children.

Mr. HAMMOND. It will come; it will go on further than that, in my judgment. But I am told labor opposes that; labor itself opposes the minimum wage.

Commissioner O'CONNELL. They do not want to adopt a standard.

Mr. HAMMOND. No; I do not believe in a standard either.

Commissioner O'CONNELL. You mean the minimum standard. That is what labor would be afraid of.

Mr. HAMMOND. I do not think that would be. That is the opinion of a great many of the labor leaders; they feel if you establish the minimum wage it would be made a standard of wages.

Commissioner O'CONNELL. If the employer wants to operate what he is pleased to call the open shop and he wants to be fair, should he deal with the employees collectively as to their conditions of employment, agree upon hours and wages and other things that go with it?

Mr. HAMMOND. Yes.

Commissioner O'CONNELL. How is he going to do that without some form of organization with his employees?

Mr. HAMMOND. He leaves that to the employees. If they do not wish to take advantage of their right to organize and wish to see him individually by the appointment of a committee simply having a temporary organization, he treats with that committee. If they are organized, then he treats with the organized committee. It is a little difficult to work out. You will get into what you call a twilight zone very often, and that is where the good, intelligent manager can do the most effective work.

Commissioner O'CONNELL. I understand the twilight zone is just what is in this industrial question where we get into it. You have said in the paper that you read that you believe one of the things necessary for peace was profit sharing. But first we must and should have a fair wage.

Mr. HAMMOND. Yes, sir.

Commissioner O'CONNELL. You mean by that that the wage should first be agreed upon?

Mr. HAMMOND. Yes.

Commissioner O'CONNELL. And then a system of profit afterwards?

Mr. HAMMOND. Yes.

Commissioner O'CONNELL. We have had a number of gentlemen before us who have spoken of profit sharing. Dr. Elliot did this morning. You heard him. And that is used almost as freely as the words "open shop." They have got all kinds of styles, forms, and conditions of so-called profit-sharing plans which are not profit-sharing plans at all.

Mr. HAMMOND. No; a good deal of it is not.

Commissioner O'CONNELL. Different bonuses and premiums and things given to stimulate men in the employment in the industry?

Mr. HAMMOND. Yes.

Commissioner O'CONNELL. Have you in mind any definite thing you can suggest to the commission as to just what you mean by profit sharing?

Mr. HAMMOND. It is a very difficult thing. You have to depend on each case; in that respect I happen to agree with Dr. Elliot. I do not think there can be any general law worked out as to profit sharing. It must be dependent on the individual case.

I am trying an experiment out in California myself—a company which I happen to control absolutely, where I do not have to consult other directors or shareholders. I do not know how it is going to work out. I would be very glad to let you know the solution of it some time. It is a very difficult problem. You want to do something that is not in the way of giving a man a greater amount than he is entitled to; otherwise he will be discontented. You want to give him as much of the profit as possible above the standard of wage to make it one of the incentives of the development into a good citizen, to give him some hope, with the result that his hard labor will be rewarded. The profit-sharing part of it is not my idea, to give a man enough to live and pay his daily wage. It is something beyond that. It is to enable him to save up for the future. That really is a definite profit sharing.

Commissioner O'CONNELL. Would there be a possibility of the employer agreeing upon a plan whereby the wage, the daily rate, might be so arranged that they would get every day the higher rate of wage?

Mr. HAMMOND. I doubt if that is feasible, because the profits can not be determined that way. If you take an industry that is making no profits, very often an industry is kept up in the hope of better times, in order to keep the organization intact and to give their employees wages. I do not think at that time the wage earner should expect his profits. It has got to be something that cuts both ways.

Commissioner O'CONNELL. You would not expect him at the time to accept a reduction in wage below the standard rate, would you?

Mr. HAMMOND. No; but I believe in the smaller operations. I do not mean the large corporations. If an employer goes to his men and explains fairly and honestly the exact condition, his temporary embarrassment, I am confident lots of them will say, "We will cut down our wage a little while and you can make it up in better times." I have that much confidence in the fair spirit of the employees, if you get the right kind of employees and they have your confidence.

Commissioner O'CONNELL. Is your opinion, Mr. Hammond, that a great portion of our industrial unrest, our strikes and lockouts and boycotts and black lists and all those things that keep society disturbed are the result of the employer and the employee not getting together and meeting each other?

Mr. HAMMOND. I think so.

Commissioner O'CONNELL. And seeing each other?

Mr. HAMMOND. I think so.

Commissioner O'CONNELL. And understanding each other?

Mr. HAMMOND. Absolutely.

Commissioner O'CONNELL. Is that not fundamentally at the bottom of all of our troubles?

Mr. HAMMOND. I think the employer has been unreasonable. I know very many of them can not see the other side at all. Of course, you sometimes have the same kind of trouble with the labor agitator. I must be fair in that way, but the unreasonable man is being put out of commission. The people have not any use for the pinhead, whether a labor agitator or a politician or whether he is an employer. The people of this country are broad-minded and they want the man that is level-headed and is fair. That is all. I think the conditions are very much better than they have ever been, and what we want is plenty of publicity.

Chairman WALSH. Commissioner Commons would like to ask a few questions.

Commissioner COMMONS. Is your idea that unions should be made responsible for damages, civil damages in case they have damaged the property or business of an employer—legally?

Mr. HAMMOND. You mean going to the question of whether unions should be compelled to incorporate?

Commissioner COMMONS. Well, not necessarily incorporate, but in some way should be made liable, from the funds in their possession, should be made liable to the employer in damages?

Mr. HAMMOND. You can't do that if they were not incorporated. I think they should be made, individually, the men that are directly responsible, should be compelled to pay, but I do not think it is fair to hold the union itself responsible, especially if it is not incorporated.

Commissioner COMMONS. Would you favor their incorporation for the purpose, then, that they should be made—

Mr. HAMMOND. I didn't catch the question.

Commissioner COMMONS. Do you favor incorporation of the union so that it may be made liable in damages to the employer for the acts of individuals or their agents?

Mr. HAMMOND. I think it ought to be. It is a poor rule that does not work both ways. But as a matter of fact I would be inclined to be illogical and inconsistent in the attitude toward labor, because I think that until they get a little bit better organized—I mean in the sense of getting more in touch with the big economic conditions—that they ought to be treated with a good deal more leniency. Capital has the advantage of the very best kind of talent and can take care of itself better than labor. I think we can put up with a great deal that is inequitable for the time being in that respect, and of our treatment and exactions from labor. But I have no patience whatsoever with the unreasoning labor agitator, the labor leader and agitator that resorts to violence.

Commissioner COMMONS. But the question would come, if a union has such a leader and through his influence the union damages the property of his employer, would you hold simply that leader liable or would you have a law imposing liability upon the union as a whole?

Mr. HAMMOND. I rather would see the criminal punishment than the civil punishment in a case of that kind.

Commissioner COMMONS. Have no civil damages against either the leader or the union?

Mr. HAMMOND. No; I should not. I would make the man that causes the infraction personally responsible as a malefactor.

Commissioner COMMONS. And if he had committed a crime or inflicted damage or trespass in the way in which you have mentioned, acting for the union, would you hold the other members of the union liable also?

Mr. HAMMOND. No; I think that public sentiment would control that a good deal.

Commissioner COMMONS. Would you consider, then, that as the act of particular individuals?

Mr. HAMMOND. I think that is the only redress you can have.

Commissioner COMMONS. You would not incorporate them, or any other means by which the union as a whole could be brought in?

Mr. HAMMOND. That is a pretty difficult question to answer. I might only say ultimately the man punished. If the union is going to exact certain rights, then it has got to be put on a parity with capital in that respect. But I think that a good deal of trouble between capital and labor for the infraction of law can be determined by the punishment of the individual directly concerned.

Chairman WALSH. Commissioner Garretson would like to ask you a question.

Commissioner GARRETSON. Arising out of another question that was asked of you, Mr. Hammond. Would you hold that if an industry, protected by a tariff, went into the markets of the world, was able to sell its product in that market of the world in competition with unprotected production, would you consider that fact alone as a reasonably conclusive proof of one of two things—either that the industry combined in the protection of the tariff or that it was paying less than the wage necessarily guaranteed by that tariff?

Mr. HAMMOND. No. In other words, would I justify the selling abroad of American products cheaper than at home?

Commissioner GARRETSON. Yes.

Mr. HAMMOND. Yes; I would, most certainly.

Commissioner GARRETSON. You would?

Mr. HAMMOND. I think I can explain to you.

Commissioner GARRETSON. Do so.

Mr. HAMMOND. The only justification is that you can keep your industry running full force here in times of overproduction by sending your material abroad and dumping it abroad. You can meet conditions over there where it is absolutely necessary to sell below the market price in this country. Now, you accomplish something more than that. You are putting out or embar-

raising the development of large-scale industry in your foreign competitors, and if you can make them, confine them, to a smaller unit production by keeping their markets or occupying their markets, then you have a better field elsewhere, in some other country, foreign country, to get a higher price for your product. In other words, it is better, it seems to me, for the wage earner that be allowed, because it gives him employment, and it is better for the consumer, because he should get some benefit out of large-scale operations.

Commissioner GARRETSON. If that condition is true as applied to anything but periodic action, what result must it have the year around on the domestic consumer if the goods abroad are sold at less than a profit? Does not the domestic consumer have to pay the freight?

Mr. HAMMOND. Well, now, that is a question, I think, for each individual case. It may be that if a large corporation sells 10 per cent of its output abroad that the very fact that it is able to work up to 100 per cent efficiency instead of 90 per cent would enable them to sell domestically in the home market at a price very much better than if they did not produce that extra 10 per cent because of unrestricted operations, and consequently higher cost of production.

Commissioner GARRETSON. On the other hand, if that industry reduces its production for a very considerable portion of the year, a considerable portion of its plant, would the theory be tenable?

Mr. HAMMOND. If it reduced—I think that is the question for each industry. I do not know how much it would reduce it.

Commissioner GARRETSON. I am only speaking—I am making the industry impersonal.

Mr. HAMMOND. Yes; I understand. But that is done by every other great nation. They do it in England and France and Germany, and must have some justification over there.

Commissioner GARRETSON. In your experience—this is brought up by the twilight zone—have you ever had a practical exhibition of the desire of the laboring man to be taken into partnership, to do more than arrange his wages and the conditions under which he will serve and live?

Mr. HAMMOND. I have never heard of it. Some of these theoretical economists have been agitating the question recently. It was new to me.

Commissioner GARRETSON. Practically that means the twilight zone does not in fact exist?

Mr. HAMMOND. No; not at all.

Commissioner GARRETSON. Your attitude on immigration—if I understand your attitude on immigration, it is founded purely on two things: First, the welfare of the State, and, second, on your conception of what are the responsibilities of the State to furnish labor to a man and pay for it if he desires to work?

Mr. HAMMOND. That is it exactly.

Commissioner GARRETSON. That is all.

Chairman WALSH. What do you consider to be the standard wage for an American workman? I mean unskilled labor.

Mr. HAMMOND. Do you want me to discuss like President Elliot did about that this morning?

Chairman WALSH. No; if you can fix it I wish you would.

Mr. HAMMOND. The corporations would have to fix that. It would depend on the different industries, the conditions in the different sections of the country. I think it could be determined, though.

Chairman WALSH. Who sets the American standards of living?

Mr. HAMMOND. Well, what individuals?

Chairman WALSH. Yes; or what class of individuals or how?

Mr. HAMMOND. I think that is pretty well accepted without ever being definitely formulated. It is pretty well accepted by all disinterested, fair-minded citizens that the man must be able to support his family, not with extravagance, but give them certain things that they demand in the way of comforts, of schooling, and give him enough time to devote to his family, not to simply become an animal, as in the mine, and worked to death. I think it would be difficult to establish just what the standards were or how it would be determined.

Chairman WALSH. Would you suggest any class of workmen or any particular large basic industry in which may be found what would be called an American standard of living, the American standard of living?

Mr. HAMMOND. I never employed any labor that did not live that way, and live pretty well. I found it good business. In the mining, of course, that is different. A great deal of my work has been out in the West, where the men are respectable and educated; where the men are self-respecting, and they demand certain things and they always got them.

Chairman WALSH. That is all. You may be excused—wait a moment. Commissioner Weinstock would like to ask another question.

Commissioner WEINSTOCK. You made some references, in answer to Mr. O'Connell's questions, I think, or Prof. Commons's, about the dynamiters. What, in your opinion, should be the attitude of organized labor among members in their own ranks who commit violence?

Mr. HAMMOND. It should be unrelenting, absolutely unrelenting, relentless. It is one of the unfortunate things that creep into a labor organization, and it is, of course, something that should be condemned not only by the labor organization and American citizens, but in their own interest. And I do not believe it is condoned by the better class of labor leaders at all. I do not think they are so shortsighted, because it affects them; they do not get anywhere by it.

Commissioner LENNON. Mr. Hammond, are the employers of New Jersey under equal obligation, if their hired gunmen did the killing over there without provocation, to prosecute and punish the men who committed it equal with what the labor man would be?

Mr. HAMMOND. Absolutely.

Commissioner LENNON. Do you know of any labor organization that has justified violence in labor disputes?

Mr. HAMMOND. I never have.

Chairman WALSH. That is all. Thank you for your attendance and your testimony. You will be excused permanently.

Mr. John R. Lawson.

#### TESTIMONY OF MR. JOHN R. LAWSON.

Chairman WALSH. What is your name?

Mr. LAWSON. John R. Lawson.

Chairman WALSH. And your place of residence?

Mr. LAWSON. Denver, Colo.

Chairman WALSH. How long have you lived in Denver, Colo.?

Mr. LAWSON. About seven years.

Chairman WALSH. Where did you live before you came to Denver?

Mr. LAWSON. I lived in several different parts of Colorado; Pueblo, New Castle, and Palsade, principally.

Chairman WALSH. What is your present position or employment?

Mr. LAWSON. I am a member of the international executive board of the United Mine Workers of America, representing district 15, which comprises Colorado, Utah, and New Mexico; and act as international organizer because of that fact.

Chairman WALSH. You addressed a communication to this commission asking to be heard at this time, I believe?

Mr. LAWSON. Yes, sir.

Chairman WALSH. Please state why you wished to be heard at this hearing.

Mr. LAWSON. When the miners of Colorado learned that the Rockefeller Foundation fund was going to be investigated here they felt that it was within their duty to come to New York and request that they be permitted to put their side of the question before the commission, feeling that when every man lost 100 pounds of coal he contributed to the foundation fund; that when he failed to receive payment for dead work he contributed to that same fund; that when he was not paid a sufficient amount of wages for his labor he contributed to that fund. So, Mr. Chairman, we decided to come here and to bring Mr. Edward P. Costigan, our legal representative, with us, and ask your permission to state these facts.

Chairman WALSH. How did you come to occupy your present position with the United Mine Workers of America?

Mr. LAWSON. I was elected by the miners of district 15 to that position.

Chairman WALSH. How long have you held that position?

Mr. LAWSON. I was elected in the fall of 1905, and I have been connected with the international organization since that time.

Chairman WALSH. Are you a practical coal miner?

Mr. LAWSON. Yes, sir.

Chairman WALSH. Were you present during the giving of the testimony of Mr. John D. Rockefeller, jr.?

Mr. LAWSON. Yes, sir; I heard most of Mr. Rockefeller's testimony.

Chairman WALSH. Is there anything in the testimony of Mr. Rockefeller that you would care to comment upon?

Mr. LAWSON. Yes, Mr. Chairman, there are several things that I would like to comment on. I would like to comment on some testimony given before this commission and perhaps before the congressional hearing. I have with me a brief document that I have prepared, and I should like, with your permission, to read it into the record.

Chairman WALSH. Do you desire to read it at this time?

Mr. LAWSON. Yes.

Chairman WALSH. You may proceed.

Mr. LAWSON. I would like to state very much, Mr. Chairman, that in giving testimony before this commission at this time relating to the foundation fund and the Colorado situation that I hope to do it without any malice and with the most kindly feeling. And I sincerely hope it will be taken in that way. I feel it my duty that this commission should get at the facts as far as we can give them [reading]:

The Commission on Industrial Relations was created to inquire into the underlying causes of industrial unrest. Speaking for the many thousands of men, women, and children who suffered through the recent coal strike in Colorado, I say to your honorable body that you can well afford to let the testimony of John D. Rockefeller, jr., bring your investigation to an end. Out of this month came a reason for every discontent that agitates the laboring class in the United States to-day, and if remedies are provided for the injustices that he disclosed a long step will be taken away from industrial disturbance.

For more than 10 years he has been a director of the Colorado Fuel & Iron Co., vested with what is virtually the power of life and death over 12,000 men and their families, for the isolated nature of the coal mining industry lends itself to an absolutism unknown in other activities. This power, let it be pointed out, came to him by no healthful process of struggle and achievement, but entirely through the fact that he was the son of his father. His huge control of men and money was, in effect, a gift that marked the attainment of his maturity.

In those first days, when he might have been expected to possess a certain enthusiasm in his vast responsibilities, Colorado was shaken by the coal strike of 1903-4. It is a matter of undisputed record that a mercenary militia, paid openly by the mine operators, crushed this strike by the bold violation of every known constitutional right that the citizen was thought to possess. Men were herded in bull pens like cattle, homes were shattered, the writ of habeas corpus suspended, hundreds were loaded on cars and dumped into the desert without food or water, others were driven over the snow of the mountain ranges, a governor elected by 15,000 majority was unseated, a man never voted on for that office was made governor, and when there came a thing called peace, the blacklist gave 6,000 miners the choice between starvation or exile. The Colorado Fuel & Iron Co. organized and led that attack on the liberties of freemen, and yet you heard from Mr. Rockefeller's own lips that he never inquired into the causes of the strike, the conduct of his executives or the fate of those who lost. So little interest did he take in the affair, so faint was the impression it made upon him, that he could not even answer your questions as to its larger facts.

To take the place of the banished workers thousands were imported, and the extent of the company's dragnet for new material may be judged from the fact that over 30 languages and dialects have been spoken in the mines since 1904.

Ten years pass, and in 1913 Colorado is once more pushed to the verge of bankruptcy by another strike. Many strike breakers of 1903, reaching the limit of human endurance, followed the example of those whose places they had taken, choosing hunger and cold in tents on the mountain side and plains in preference to a continuance of unbearable conditions in the mines. By actual count, the union was supporting 21,508 men, women, and children in the various colonies in January, 1914.

What course did Mr. Rockefeller pursue in connection with this upheaval of employees? His duty was clear, for he is on record with this admission, "I

think it is the duty of every director to ascertain the conditions as far as he can, and if there are abuses, to right them." Putting their justice to one side, the fact remains that we claimed many abuses and cited them specifically.

The statute law of Colorado ordered a semimonthly pay day, checkweighmen so that we might not be cheated, the right to form unions, the eight-hour day, and payment in cash—not scrip. We charged that the Colorado Fuel & Iron Co. had violated these and other laws, and in addition we told of evil housing conditions, high rents, company-store extortions, saloon environment, armed guards, and the denial of freedom in speech, education, religion, and politics. When 12,000 men back up such claims by taking their wives and children into wind-swept tents, surely they would seem to be deserving of consideration.

Yet upon the stand, throughout three whole days this week, John D. Rockefeller, jr., insisted that he was absolutely ignorant of every detail of the strike. He stated that he had not received reports on labor conditions, he could not tell within several thousands how many men worked for him in Colorado, he did not know what wages they received or what rent they paid, he had never considered what the proper length of a working day should be, he did not know what constituted a living wage, and, most amazing of all, he had never even read the list of grievances that the strikers filed with the governor of Colorado and gave to the world through the press. He did not know whether or not 50 per cent of his employees worked 12 hours a day, and when asked whether or not he considered 12 hours a day in front of a blase furnace to be a hardship he answered that he was not familiar enough with the work to judge. He did not know how many of his employees worked seven days a week the year around, but judged that it would be a hardship, yet when asked what part of a year could be worked under such conditions without hardship, refused to approximate an opinion.

He knew that there was a system by which injured men or their families were compensated, yet he did not know what the system was, and when a list was read showing the beggarly amounts paid to cripples, mangled miners he would say nothing but that they were not matters that a board of directors would pass on. He did not know that his company's control of the courts had resulted in a condition where not one damage suit has been filed against it in years, and he did not know that men were treated like criminals for daring to mention unionism. He could not even define collective bargaining, nor had he ever made the slightest study of the great union or its principles against which the Colorado Fuel & Iron Co. threw its power and its millions. He expressed himself in favor of unions and then proceeded to negative this belief by refusing to answer affirmatively a number of questions that bore upon the manner in which unionization could be achieved. Asked whether he would vote to discharge an executive officer if it should be proved that he had spent money to corrupt the electorate, he answered, "I should want to know the conditions." He did not know what the capitalization was of the subcompany that operates the mine stores or what it paid on the investment.

He did not know that the company built special buildings for saloons, charging high rental, or that church meetings were compelled to be held near saloons, and that in some cases saloons were in close contact with the schools. He knew that the company had maintained a sociological department, but he did not know what its activities were, nor was he aware that his officials dictated the appointment of our preachers and school-teachers, and exercised the right of discharge if they offended by criticism. As an excuse for this amazing lack of knowledge, he insisted that the board of directors had placed control of such matters in the hands of J. F. Welborn and L. M. Bowers and held them responsible for wise and just administration of labor affairs. He admitted that, aside from these two, he had knowledge of no others who would be responsible for labor conditions.

On the witness stand, L. M. Bowers, who gave his residence as Binghamton, N. Y., stated that he was concerned only with the finances of the Colorado Fuel & Iron Co., and knew nothing of labor conditions. J. F. Welborn admitted that until his election to the presidency he had been connected with the sales department, always in Denver, and that it was not his habit to visit the mines. They pointed to E. H. Weitzel as the man in charge of labor conditions, and Weitzel stated that while he did not visit all the camps "frequently" he got to them as often as he could.

What has been Mr. Rockefeller's attitude to this development? Has he, in spite of his own lack of knowledge, instituted any investigation to discover whether Bowers and Welborn, his trusted executives, are equally ignorant and



indifferent? I invite him to point to one single admission that would show the slightest activity in this direction or the least intent to summon these men before the board of directors to give an account of their stewardship. His answer was, "I have not had the opportunity." Fourteen months thousands of men, women, and children suffered on the mountain sides and prairies, and two more months have gone since we called off the strike as a result of President Wilson's proposal, and yet he has not had the opportunity for a personal investigation. His excuse for his lack of knowledge and his failures is that he is "too busy." What is his business? He explained it by stating that "I spend a large part of my time in directing, with others, the various foundations which my father has established and in giving time to questions of investment." I beg you to contrast this attitude with that of Henry Ford, a man who has built up his tremendous business with his own hands, and who follows every detail in its huge ramifications, and yet who finds the time to take a deep personal interest in every one of the 18,000 workers in his employ.

In reply to this, he spoke of the rich returns given by Ford business as compared with the beggarly returns of the Colorado Fuel & Iron Co. He complained that his father had only received \$371,000 in all of his stock, which was but a 3½ (3) per cent interest on the cash investment. It was only under questioning that he confessed that his father had received \$8,889,000 from his bonds; that the assets of the company were \$23,000,000 in excess of liabilities; and that this item did not take in an appreciation in property values of some \$19,000,000. Nor did he mention the vast holdings that the Colorado Fuel & Iron Co. refuses to develop, keeping it idle while the population increase adds to its value.

Let me say to you in this connection—and I have spent a large part of my life in direct contact with the Colorado Fuel & Iron Co.—that whatever appearance of poverty clings to the company is not due to anything but its own stupid and corrupt policy. Had it taken the money it has spent in controlling officials and the electorate, in purchasing machine guns, the employment of gunmen, and in crushing the aspirations of human beings and spent it in wages and the improvement of working conditions they would have had rich returns in increased productivity. Henry Ford's 15 per cent wage increase, it will be noted, was followed by a 30 per cent increase in efficiency.

These, Messrs. Commissioners—this record of indifference respecting human life and human happiness—are vital causes of industrial discontent. An employer who is never seen, and whose power over us is handed down from man to man until there is a chain that no individual can climb; our lives and our liberties passed over as a birthday gift or by will; our energies and futures capitalized by financiers in distant cities; our conditions of labor held of less account than dividends; our masters too often men who have never seen us, who care nothing for us, and will not, or can not, hear the cry of our despair.

There is another cause of industrial discontent, and this, too, flows from a Rockefeller source. This is the skillful attempt that is being made to substitute philanthropy for justice. There is not one of these foundations now spreading their millions over the world in showy generosity that does not draw those millions from some form of industrial injustice. It is not their money that these lords of commercialized virtue are spending, but the withheld wages of the American working class.

I sat in this room and heard Mr. Rockefeller read the list of activities that his foundation felt calculated "to promote the well-being of mankind"—an international health commission to extend to foreign countries and peoples the work of eradicating the hookworm, ten millions for the bureau of municipal research, a retreat for migratory birds in Louisiana, \$100,000 for the American Academy in Rome, the promotion of medical education and health in China, thirty-four millions for the University of Chicago, one million for the Belgians, \$20,000 a year for widows' pensions in New York, the investigation of vice conditions in Europe, and thirty-four millions for a general education board. A wave of horror swept over me during that reading, and I say to you that that same wave is now rushing over the entire working class in the United States. Health for China, a refuge for birds, food for the Belgians, pensions for New York widows, university training for the elect, and never a thought or a dollar for the many thousand of men, women, and children who starved in Colorado, for the widows robbed of husbands, children of their fathers, by law-violating conditions in the mines, or for the glaring illiteracy of the coal camps. There are thousands of Mr. Rockefeller's ex-employees in Colorado to-day who wish to God that they were in Belgium to be fed or birds to be cared for tenderly.

As if this were not enough, labor is now informed that this foundation has appropriated \$1,000,000 for the purpose of doing what this commission was appointed to do. An industrial-relations division has been formed to find out why we are discontented. Who, let it be asked, are the directors of this foundation out of which comes this investigation? The two Rockefellers; their professional advisers, Murphy, Gates, Green, and Heydt; their secretaries, Flexner and Rose, on the Rockefeller pay roll; and three others, Elliot, Hepburn, and Judson, who furnish an outward appearance of independence. The same control that has directed the affairs of the Colorado Fuel & Iron Co., the same voice that declared through young Rockefeller that the defeat of the union in Colorado was a great American principle, for which he was willing to sacrifice his money and the lives of his workers; and they ask the laboring class to believe that what they feel as coal-company directors they will not feel as directors of the foundation.

And who is the man chosen to conduct this million-dollar investigation into industrial unrest? One Mackenzie King, an alien, whose contribution to the industrial problem is a law that prescribes a jail sentence for the worker who dares to lay down his tools. If labor had any doubt as to his real intent, that doubt was removed by the letter read at this hearing. Under date of August 6, 1914, Mackenzie King wrote to John D. Rockefeller, jr., as follows:

"It will not be long, however, before the inevitable effects of the European war on American labor conditions are certain to make themselves felt, and, once this becomes apparent, the unions will have to revise considerably some of their present policies. Looking at the ultimate rather than the immediate effect, there is, speaking generally, going to be a large amount of unemployment as a consequence of the war; in certain industries it is going to be easy for employers to find all the labor they desire, and unions will be confronted with a new problem. Here, it seems to me, lies a possible avenue of approach toward restoring normal conditions in Colorado."

The same thought was stated by President Welborn in a letter to Director McClement when he expressed pleasure over a 2-foot fall of snow in Colorado, exclaiming, "This ought to make a good many of the strikers who are living in tents provided by the organization to seek the comfortable houses and employment at the mines."

Even were the source of the investigation less objectionable, what bearing can it possibly have on existing conditions? Mr. Rockefeller himself admitted that the Mackenzie King investigation will probably take many years. What is labor to do in the meantime? What is Colorado going to do? In response to this, Mr. Rockefeller says that "the problem now is for all concerned to develop increasing good will." Labor has been crushed by machine guns and hired soldiery; men, women, and children have died; homes have been ruined and futures blighted; new thousands have been imported for another decade of exploitation; and we are to "let bygones be bygones."

Mr. Rockefeller, sr., is quoted as saying that God must be brought to New York. In Colorado there is a suffering multitude that asks only for a little of the spirit of the Christ who died for human brotherhood.

The causes of industrial unrest, Mr. Commissioners, are not to be removed by promises of endless investigations or by a sudden willingness to hold conferences. They lie in the treatment of free men not as chattels, to be disposed of by deed and will, in absentee landlordism, in the theft of natural resources, or in indifferences to the necessities and aspirations of those who toil in the dark for the benefit of those in the light. Nor will Mr. Rockefeller's proposal for the election of men in coal camps meet the needs of collective bargaining. This is in truth the shadow and not the substance, for men so elected, unless backed by an organization wider even than State lines will be utterly helpless in the hands of those who have sanctioned past grievances.

Nothing has been more clearly shown by your investigation than that workers are unable to protect themselves as individuals, but can only gain this protection through organization in local, State, National, and international forms. It has been admitted by great operators that wage scales in nonunion mines, as well as the working conditions, are based upon the wages and conditions won by the efforts of organized labor.

In theory, at least, Mr. Rockefeller agrees to the principle of unionism. All that remains is to give his theory purpose and effect, something that can not be done by simple expressions of good will or a suddenly expressed desire for meetings.

The United Mine Workers of America is the one organization that represents labor in this great industry. It has been in existence for 25 years. It has a present membership of more than 400,000 and enjoys contractual relations with employers in 17 States. It has kept these contracts inviolate.

With these facts held clearly in mind, I insist that Mr. Rockefeller can not give effect to his new point of view except with the cooperation of the United Mine Workers of America. By official conference with the executives of this organization action should be taken to guarantee the enforcement of the mining and labor laws long violated in Colorado and the establishment of the principle in practice of collective bargaining.

Press reports give great publicity to meetings that are alleged to have been arranged between Mr. Rockefeller and the United Mine Workers' officials. Let me say on that subject that our one great desire is for lasting industrial peace. We rejoice that after all these years Mr. Rockefeller is at last disposed to consider and confer with the workers his company officials have despised, ignored, and endeavored to crush.

We welcome any and every conference, but these meetings should be official and purposeful, not mere social visits designed to give the utterly false impression that industrial war has had no more vital cause than a failure on Mr. Rockefeller's part to shake hands. So far as possible the remedies must equal and be as real as our great wrongs. [Applause.]

Chairman WALSH. We must have perfect order, please.

In your opinion, Mr. Lawson, does the machinery for securing representation by the men in the management of the Colorado Fuel & Iron Co., as outlined by Mr. Rockefeller, and now being put into effect in Colorado, constitute an effective basis for collective bargaining?

Mr. LAWSON. No, Mr. Chairman, it does not.

Chairman WALSH. Why not?

Mr. LAWSON. In the first place, under the plan as outlined by Mr. Rockefeller and being put into effect by the operators in Colorado, the men are completely at the mercy of the operators, as much as they ever were, for this reason: Under this plan the miners have no organization behind them, they do not even have a local union organization, and the miners in this country to-day, without local unions, without State organizations, and without an international organization to stand behind them in enforcing their just demands, are without power, and I say again, entirely at the mercy of the employers.

Chairman WALSH. What are the essentials of collective bargaining?

Mr. LAWSON. The essentials of collective bargaining are strong unions on each side, with a division of power in which each side may be represented properly and equally by those who are intelligent enough to bring about and negotiate agreements and have power enough to enforce just demands.

Chairman WALSH. Why do you say a national organization is required? Why would not a State or even a local organization do as well?

Mr. LAWSON. Because, in this day and age of great combinations of capital—great corporations combined—labor must also put itself in a position, that when the workers are compelled to strike against injustice, they shall have some way—they must have some manner of getting relief from some other source than among themselves, and they can not do that, Mr. Chairman, for the reason that if a body of men have been compelled to go on strike—working men, the world over, are usually within a very few days of starvation, and it is necessary to have this relief so that they can maintain themselves and exist until the employers shall grant their demands.

Chairman WALSH. I wish you would review briefly the history and form of the organization of the United Mine Workers and its aims and policies?

Mr. LAWSON. The United Mine Workers of America is a democratic organization—an organization formed by and with all the miners and those who work in and about the mines in this country. Its purposes are, first, to protect life and limb and health; to raise wages to a point above the standard cost of living, or placed above the cost of living; to care for the sick, to bury the dead; to help assist the orphans and the widows; to bring about better working conditions and more sanitary conditions, and to give the child of every man an equal opportunity for an equal education.

Chairman WALSH. How many members are there in the organization?

Mr. LAWSON. The United Mine Workers have an organization of something over 400,000 members.

Chairman WALSH. Can you mention how many States of the Union it operates in?

Mr. LAWSON. The mine workers' organization operates in about 20 States.

Chairman WALSH. What has been the influence of the organization as to moral, social, and economic condition of its members and of the community in which they live?

Mr. LAWSON. The effect on the communities has been great, Mr. Chairman. Where there is organization the men have the right and full freedom of enjoying their religious, social, political, and industrial freedom. In places where there is no organization this, so far as my observation goes, and speaking for Colorado, does not exist.

Chairman WALSH. What is the attitude of the coal operators in the States where mine workers are under contract with your organization?

Mr. LAWSON. The attitude of the operators in the States where our organization has contracts has been friendly. They get together and negotiate wage agreements for, say, a period of two years at a time, and during that period there is always, or very nearly always, a period of industrial peace, Mr. Chairman.

Chairman WALSH. What is the policy of this organization toward strikes?

Mr. LAWSON. The policy of the United Mine Workers of America is that strikes shall only be used as a last resort—not until every other means of effecting a settlement has failed will or can there be any strike.

Chairman WALSH. Does your organization seek written contracts with the employers?

Mr. LAWSON. Yes, sir.

Chairman WALSH. What is your reason for doing that?

Mr. LAWSON. There are several reasons. In the first place, it gives a stability to the industry; it gives the operators a chance to make contracts, and they know that for the period of that contract there is not going to be any strikes. And there is another reason: In the coal mines the work is mostly contract, and the worker is paid so much a ton or so much a yard, as the case may be, and therefore it is necessary to stipulate exactly what each kind of work is going to be paid, so the men may know and have an understanding.

Chairman WALSH. Will you please tell the commission, Mr. Lawson, what has been your practical experience in mining outside of your activity as an officer of the Mine Workers' organization?

Mr. LAWSON. My experience, Mr. Chairman, has been perhaps somewhat varied. I have worked in a number of different States and under a good many different kinds of conditions. I commenced working in or around the coal mines when I was 8 years of age; I worked in the anthracite breakers in Pennsylvania at that time.

Chairman WALSH. Where were you born?

Mr. LAWSON. I was born in Pennsylvania, in Schuylkill County.

Chairman WALSH. Was your father an American citizen?

Mr. LAWSON. Yes, sir; and a coal miner formerly.

Chairman WALSH. What is your nationality?

Mr. LAWSON. My parents are Scotch.

Chairman WALSH. Proceed; you say you commenced in the mines as a breaker boy when you were 8 years old?

Mr. LAWSON. Yes, sir.

Chairman WALSH. Following that condition, give your actual experience as a miner.

Mr. LAWSON. I worked the mines of Pennsylvania, and after I grew up I went West. I went out first to Oregon and worked there a while prospecting in coal and returned from there to Colorado, or, rather, to Wyoming, and worked in Rock Springs, Wyo., in the mines there, and then went to Colorado and worked in the mines of the Colorado Fuel & Iron Co. and other companies in the State mostly since that time.

My experience as a coal miner has been varied on account of the many different conditions that surround a coal miner's life.

The dangers that men are confronted with is one of the things that I feel a great many people do not take into consideration. I feel—in fact, I know, that the corporations which have no close contact with their employees never can realize, never can understand, what the men undertake in their behalf or what dangers they go through in working for the companies. I want to cite one little incident that occurred in my experience in Colorado, which occurred at New Castle, in one of the mines of the Colorado Fuel & Iron Co. This mine was known to be one of the most gaseous mines in the country, a mine the dust

of which was very highly explosive. This mine had a vein of coal about 60 feet thick. It was worked on what we call—it was a pitching vein, by the way.

Chairman WALSH. What is a pitching vein?

Mr. LAWSON. This vein of coal pitched at an angle of about 55°.

Chairman WALSH. Proceed.

Mr. LAWSON. This mine took fire, and, as I stated, it was commonly known to be full of gas, or made a great deal of gas, and the dust was highly explosive. The mine took fire, and the men employed at that mine, although they knew this character of the mine, stayed in the mine until just a short time before the fire finally came in contact with the gas and blew the mine up; in fact, almost literally blew it to pieces—that is, the entry in which they were working. Every one of the men, and I want to speak for the other men there at work and not for myself—all of the men remained there, notwithstanding all those dangers and notwithstanding the hardships existing, notwithstanding the bad air, caused by the smoke. The entries were full of smoke and occasionally a great flame would go down the entries. Two or three of the men were burned in this manner, but they stayed there uncomplainingly until it was decided that the mine could not be saved and that the only thing to do was to get out of the mine and fill it with water, which was done. But before the water managed to reach the fire, the gas and fire got together, and the explosion occurred. This, Mr. Chairman, with a great many experiences which I will not take the time to relate, is the life of a coal miner. Those are some of the hardships the men undergo, and those are some of the things his family must continually bear in mind while he is working in the mine.

Chairman WALSH. In the pamphlet which has been introduced in evidence here, entitled "Facts in Regard to the Colorado Situation," it is noted that at page 49 there is a criticism of what is known in the coal industry as the "check-off system," and it is mentioned as being obnoxious and tyrannical. What is the check-off system?

Mr. LAWSON. What is commonly called the check-off system, Mr. Chairman, is the checking off of the union dues by the clerk of the company, who is given the amount of dues to be checked off by the secretary of the local union. This is turned in at the end of every pay period, for illustration; and the clerk simply deducts from the pay of each and every man who toils in or about the mines or belongs to the union the amount of the dues or assessments charged against him. I want to say in connection with this, that the check off has received a great deal of criticism from the operators and has been held up to ridicule and to the scorn of the public all over the land, and I want to say that in my almost 36 years' experience in or about the coal mines the operators themselves have employed constantly the use of the check-off system. It was they who inaugurated this system, because they took off from the pay of every man, without his consent; and I want to say in connection with the checking off of dues, that the dues are checked off after the men have given their consent to have them checked off, after they have given in many instances a written order to the company to have their dues checked off; but the operators arbitrarily take away from the men their rent, for instance, their store, their board; they check off for the company doctor; they check off for tools, for tool sharpening, for powder, fuse, caps, coal, and for oil and things of that kind, Mr. Chairman.

Chairman WALSH. Is there any difference, so far as the experience of the individual miner is concerned, who seeks employment in the coal camps of southern Colorado, where unions exist and where they do not exist? And, if so, state what those differences are.

Mr. LAWSON. Yes, Mr. Chairman, there is a good deal of difference. The fact of the matter is, I think the difference might be summed up by saying that in union camps men who seek work spend just so much time in locating a place where men are needed. In the nonunion camps, as a rule, it might properly be termed an experiment. For illustration, let us assume that a single man should be in one of the southern field camps in our State and was seeking work; let us assume that he may be given a job. There is no organization; there is no one there to advise him as to what the conditions are, because the men who have worked in the mines there realize that if they are found talking to any one to the extent of explaining what the conditions are or telling of any grievances that may exist in the camp, those men realize they can not remain in that camp and work. This man may go there and get a job. If he is a man that has a lot of backbone and is not afraid of the boss,

he might ask the boss what he pays a ton for his coal; he might ask the boss of the yard for his yardage; he might ask if he is paid for dead work.

Chairman WALSH. What is dead work?

Mr. LAWSON. Dead work is a thing that comes in during a contractor's experience. For illustration, many veins of coal have impurities between the coal, such as dirt, rock, sulphur, or bone. Many veins of coal have a soft bottom, which continually comes up with the coal, also some have a soft, or what we call a rotten top, which comes down with the coal when the coal is shot down. Those are some of the dead work that the miners are confronted with. If this man should ask those things he might be told the wages paid; he might be told, and as a rule is told, that the company does not pay for dead work except in specific or particular cases. That is no way for him to find out. Then, when he gets to work, he goes into the mine, and the conditions may not be what he had hoped they would be, the wages may not be what he believed he would get, the deductions may be greater, and because of the fact that there is no checkweighman in the tippie he may be greatly surprised to find that his car which may have had 2 tons of coal on it may only have a ton and a half when it gets out of the tippie. This and other things, such as having a place without good air, having a place that has water in it, or any other bad condition. If this man went to the boss and complained about those things he might say, "This is the best I can do for you, and you will have to accept this." If he goes about among the workmen and talks of the bad conditions and of having those conditions made better and having the air carried to the vein, for instance, as described in the mine law, or if he asks about or insists upon being paid for dead work, or similar hardship or timber, he is told that if he does not like it he can go down the canyon. This man may not have enough money to leave this place and go somewhere else to seek a job. As I stated, he has come there actually broke, and after working there 30 days finds himself in no better condition than he was when he went there, and in no condition to quit. If he goes to a camp that is unionized he has his transfer card with him, and that, Mr. Chairman, is his recommendation and his credential. It shows where he came from, whether he was a coal miner or not, and it shows something about his experience. It guarantees, if he goes into a union camp, that he is going among friends, and he can freely ask questions as to whether the mine is safe to work in and what the conditions are, and he can safely ask all about those things. But he can not open his mouth about them in a nonunion camp, because if he does he is told, "It is down the canyon for you."

If this man should happen to be a married man and have a large family, he perhaps works in the mine under those conditions in the hope that day after day something will improve—conditions will improve rather—or that he may get a better place, or that he may save enough money or borrow enough, as the case may be, to move his family into this camp. After he gets his family into the camp he is compelled to live under those conditions and compelled to keep his mouth shut, because there is no union there, or he is under the necessity of being compelled to leave that camp and seek work elsewhere and leave his family in the camp behind him with the full knowledge that the company owns the house, and it is only a matter perhaps of 10 days when his family will be compelled to move from the house and from the property of the company.

Chairman WALSH. What have you to say as to the suggested necessity in closed coal camps of the coal companies controlling the schools, churches, saloons, houses, lands, town officials, the company stores, because of the difficulty of getting outside capital interested in those things?

Mr. LAWSON. There is no more reason or real justification in a coal company owning and controlling a closed camp, and all those things therein, any more than there is in one man owning and controlling the city of New York. Let me say this: It is true that sometimes, because of the isolated position of the coal where mines are opened and operated, that the company must of necessity build some houses, build homes for the men who are going to come there and live, build boarding houses and things of that character; but there is no necessity for that company or corporation forever owning those things, Mr. Chairman. The question has been raised, I have heard it discussed before this commission on several occasions, to the effect that it is absolutely necessary that the company should own those homes and keep them, and that the miners would not want to buy a house in a coal camp.

Let me ask why not. They say a man would not want to buy property where he did not have a permanent job. Let me ask, Mr. Chairman, where is there a

workman in these United States who is permanent. His job is from day to day, just the same in a coal camp as elsewhere. I know the mines in Colorado. They have been working ever since I first went to that State. And when I happened to be in Pennsylvania a few weeks ago I passed near by a coal mine—it is the Alaska breaker, to make it specific, located in Alaska, in Northumberland County—that I worked at myself 35 years ago. Now, I don't see any reason why a man should not have a right to own his own home, the right to buy his own home, even if the company did build it. If a man were able to buy his own home he could invest the few dollars he would be able to save, if he could save any, in purchasing that home in the place of paying rent. In a few years, if he stayed there, he will pay for that home, whereas, otherwise he would have to pay out nearly as much for rent. Let us assume he was not able to continue work in this particular mine, that for any reason, whether he is discharged or quits of his own volition, or for any other reason—why he could sell that home to some one else, or he could rent the home to some one else. I don't see any reason why he could not own the home as well as the company.

Now, so far as the store is concerned, I will agree that it is a difficult question to answer. Perhaps as a matter of convenience to the employees and to the company, too, the company should start out and establish a company store in the camp; but there is one thing, Mr. Chairman, in connection with that that I want to say, that the miners of Colorado have no objections to any company establishing a store in any camp so long as they leave the gate open for men to come in from the outside to sell their goods to them, or so long as they leave their gate open for their employees to go elsewhere and spend their money in the purchase of the necessities of life as they choose, and where they see fit.

Chairman WALSH. Isn't that done?

Mr. LAWSON. It is not, Mr. Chairman. It has not been done in the closed camps in Colorado. There are other things in connection with that matter. You take, for illustration, the doctor question. There is another question that has aggravated the miners of Colorado for a great many years. Why should men who are willing to pay, and who do pay their money for a doctor to take care of themselves or their families, why should they be compelled to take the choice of some company official who has not the interest in their family that they must have themselves. Why should they employ a man and have, say, 500 or 300 men or 200 men pay this man a dollar a month, and then pay the fellow perhaps \$75 or \$100 a month for the services rendered to the men? Why should they have a right to select their own doctor? Why should they not have the right to see who it will be that will enter their home, perhaps when they are at work in the mine, to look after the welfare, so far as the practice of the physician is concerned, of their families and their babies. I say, Mr. Chairman, of all the things—all the wrongs that have been done, that the miners of Colorado have suffered, that has been one of the grievances that they have been justified in complaining against. They should have a right to select their own doctor.

I was going to say, further than that, the question of the boarding place has been brought up here. It is also true that, as a matter of convenience, the company has a right to build a boarding house. It has a right to perhaps bring some one in to take care of the boarding house, but, I ask the question, Mr. Chairman, has any company or any man in this great country of ours the right to say that you must board there when you yourself pay the bill? I say they have not.

Chairman WALSH. Are you familiar with coal-mine disasters and industrial accidents in Colorado? And also with the compensation ordinarily paid there for accidents and deaths?

Mr. LAWSON. Yes, Mr. Chairman. I am more or less familiar with nearly every mine disaster that has happened in Colorado since I have been there, and with some, through reading of them and being told about them, before I went there. I shall not enumerate the number or particular accidents in the coal mines of Colorado except to say that in no place in the world, in the coal-mining industry, have there been so many and so great terrible coal-mine explosions and disasters as we have had in Colorado. Men—speaking as I was a while ago of camps that are closed and where no organization can exist—the men have no opportunity, without jeopardizing the job, of insisting that the conditions must be remedied if they are wrong; and notwithstanding that we have had coal-mining laws on our statute books, not perhaps the best law,

for a great many years; but there has been a coal-mining law on our statutes for about 25 years. Notwithstanding that fact, year after year has seen the coal mines of Colorado the scene of the greatest explosions and disasters, the greatest loss of life, of any place in the world. Men can not, as they would in a union camp, even find fault, or they can not, as they would in a union camp, notify the mining inspector of the conditions that exist there without jeopardizing their positions.

Now, so far as compensation is concerned for death or injury, I think again that Colorado leads the world in the lack of compensation paid to these people who have lost their lives in the mines through explosions, accidents, and so forth. I would like, Mr. Chairman, to just read briefly the amount of money, amount of compensation paid to the miners of Colorado for the year 1913, or to those who were left after them. I will just state that this amount was paid, or assumed that this amount was paid only to the families or the dependents of those who have been killed, and I will not say anything about the 354 miners who have been injured in the mines, but speak of the 110 cases where the men have been killed. They were paid—but I want to say further in this connection, the mine inspector's report from which I read this or copy it states that there are still some claims pending that he was not able to get. I want to be as fair as I can in the matter, so as not to leave a wrong impression; but I think most of us can easily understand just about how much may be still pending in the State of Colorado. There was paid in the year 1913 \$33,593.63 for compensation to those who were killed and injured.

Commissioner O'CONNELL. There were 110 men killed.

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. And in the case of those 110 men—

Mr. LAWSON (interrupting). No; that is the case of the 110 killed and 354 injured, but basing it just on those that were killed, I think you will find that it figures out something like \$350.40 per man killed in the mines of Colorado. That, Mr. Chairman, is the amount of compensation paid to those people and their dependents. I would like to read briefly the report on a few of the accidents.

Chairman WALSH. What is it you are proposing to read now?

Mr. LAWSON. Just the names and the reports of accidents where men were killed; just a very brief few names, Mr. Chairman; I think 9 altogether, or probably 10.

Chairman WALSH. Go ahead then.

Mr. LAWSON. Perfecto Clark, Mexican; this was January 2; car oiler on tippie; age, 17; was killed by having his arm torn off; was caught in gear wheel at the Delagua mine, operated by the Victor-American Fuel Co., in Los Animas County.

January 3: James Batey, American; miner; age, 52; married; eight children; was killed by a fall of coal in the South Canyon mine, operated by the South Canyon Coal Co., in Garfield County.

January 3: William Snedden, Scotch miner; age, 55; married; two children; and Andrew Snedden, Scotch miner; age, 16; were killed by fall of coal at the Reliance mine, operated by the Alliance Coal Co., in Huerfano County.

January 10: Joe Mohora; night pump man; age, 45; married; five children; was electrocuted by coming in contact with live wire at the Royal mine, operated by the Royal Fuel Co., in Las Animas County.

Chairman WALSH. What year was that?

Mr. LAWSON. In 1913.

April 15: Narso Dami, an Italian; miner; age, 37; married; five children; was killed by fall of roof at the Pinnacle mine, operated by the Routt County Fuel Co., in Routt County.

April 22: Alegro Bomnolas, Mexican; miner; age, 28; married; three children; was injured by fall of rock at the Morley mine, operated by the Colorado Fuel & Iron Co., in Las Animas County; died April 23.

May 3: Mike Streener, English; miner; age, 57; married; six children; was killed by fall of rock at the Williamsville mine, operated by the Thomas Coal Co.

Chairman WALSH. At this point the hearing will stand adjourned until to-morrow morning at 10 o'clock. Please resume the stand to-morrow morning at 10 o'clock.

(Thereupon at 4.30 o'clock p. m. of Friday, January 29, 1915, an adjournment was taken until 10 o'clock of Saturday, January 30, 1915, at the same place.)





